STATE OF NORTH CAROLINA Department of Administration Division of Purchase and Contract	**REQUEST FOR BEST AND FINAL OFFER** **NO.** DPC-646236801-MT
	Offers will be received until: October 30, 2023, at 5:00 PM ET
	Issue Date: October 30, 2023
Refer ALL inquiries regarding this BAFO to the procurement lead through the Events Message Board in the Sourcing Tool.	**Commodity Number:** 84111600 – Audit Services
	Description: Supplemental Internal Audit Services
	Using Agency: STATEWIDE
See page 2 for Submission Instructions	**Requisition No.:** N/A

NOTICE TO VENDOR: Offers submitted in response to this Best and Final Offer (BAFO) for the furnishing and delivering the goods and services described herein, subject to the conditions made a part hereof, will be received through the Sourcing Tool until 5:00 PM Eastern Time on the day of opening. Refer to page two for submission instructions. Offers submitted in any other way in response to this BAFO will not be accepted. Offers are subject to rejection unless submitted on this form.

EXECUTION: In compliance with this Request for BAFO, along with the terms and conditions in the original solicitation, as maybe modified herein, the undersigned offers and agrees to furnish any or all goods and services which are offered, at the prices agreed upon and within the time specified herein. Pursuant to GS §143-54 and §143-59.2 and under penalty of perjury, the undersigned Vendor certifies that this offer has not been arrived at collusively or otherwise in violation of Federal or North Carolina law and this offer is made without prior understanding, agreement, or connection with any firm, corporation, or person submitting an offer for the same commodity, and is in all respects fair and without collusion or fraud.

Failure to execute/sign offer prior to submittal shall render offer invalid. Late offers will not be accepted.

VENDOR: EAG Gulf Coast, LLC	EMAIL: lsoileau@pncpa.com	
STREET ADDRESS: 8550 United Plaza Blvd # 1001	P.O. BOX:	ZIP: 70809
CITY & STATE & ZIP: Baton Rouge, LA	TELEPHONE NUMBER: (225) 922-4600	TOLL FREE TEL. NO:
TYPE OR PRINT NAME & TITLE OF PERSON SIGNING: Partner	FAX NUMBER: 225-408-4460	
AUTHORIZED SIGNATURE: Laura Soileau	DATE: 10/31/2023	

Offer valid for ninety (90) calendar days from date of opening unless otherwise stated here: _____ days.

ACCEPTANCE OF OFFER: If the State accepts any or all parts of this offer, an authorized representative of the Agency shall affix his/her signature to the Vendor's response to this Request for BAFO. The acceptance shall include the response to this BAFO, any provisions and requirements of the original Solicitation which have not been superseded herein, and the North Carolina General Terms and Conditions. These documents shall then constitute the written agreement between the parties. A copy of this acceptance will be forwarded to the successful Vendor(s).

FOR STATE USE ONLY: Offer accept and Contract awarded this **9th** day of **November**, **2023**, as indicated on the attached certification, by P and C - Melinda Tomlinson

(Authorized Representative of Division of Purchase and Contract)

SUBMISSION INSTRUCTIONS: Vendor shall submit its offer through the Sourcing Tool. Any files submitted shall not be password protected and shall be capable of being copied to other media.

REQUEST FOR BEST AND FINAL OFFER (BAFO):

This request is to solicit a best and final offer from Vendor for Supplemental Internal Audit, Assurance, Data Analytics, and Managerial Advisory Services. The offer should integrate the previous response to the Solicitation and any changes listed below. Any individual Vendor may receive a different number of BAFO requests than other Vendors.

NOTE: This Solicitation is still in the evaluation period. During this period and prior to award, possession of the BAFO, original bid response, and accompanying information is limited to personnel of the Issuing Agency and any agencies responsible for participating in the evaluation. Vendors who attempt to gain this privileged information, or to influence the evaluation process (i.e., assist in evaluation), will be in violation of purchasing rules and their offer will not be further evaluated or considered.

Specific requests begin on the next page. Vendor may copy requests onto additional pages, as needed, to provide sufficient space for its response.

1.0 IT SECURITY SPECIFICATIONS

1.1 FOR SOLUTIONS HOSTED ON STATE INFRASTRUCTURE

For Vendors who only want to be considered for Agency solutions hosted on State Infrastructure, those Vendors shall provide a completed Vendor Readiness Assessment Report State Hosted Solutions ("VRAR") as soon as possible after receipt of this BAFO. This report is located at the following website:

https://it.nc.gov/documents/vendor-readiness-assessment-report

The Supplemental Internal Audit Services vendors will be required to receive and securely manage data that may be classified as high as Statewide Critical - High. Refer to the North Carolina Statewide Data Classification and Handling policy for more information regarding this data classification. The policy is located at the following website: https://it.nc.gov/document/statewide-data-classification-and-handling-policy

To comply with the State's Security Standards and Policies, State agencies are required to perform annual security/risk assessments on their information systems using NIST 800-53 controls.

1.2 FOR SOLUTIONS NOT HOSTED ON STATE INFRASTRUCTURE

For Vendors who want to be considered for Agency solutions hosted on State AND Vendor Infrastructure, those Vendors shall comply with the requirements of this section. Specifically, the Supplemental Internal Audit Services vendors will be required to receive and securely manage data that is classified as high as Statewide Critical - High. Refer to the North Carolina Statewide Data Classification and Handling policy for more information regarding data classification. The policy is located at the following website: https://it.nc.gov/document/statewide-data-classification-and-handling-policy.

To comply with the State's Security Standards and Policies, State agencies are required to perform annual security/risk assessments on their information systems using NIST 800-53 controls. This requirement additionally applies to all Vendor-provided, agency-managed Infrastructure as a Service (IaaS), Platform as a Service (PaaS), and Software as a Service (SaaS) solutions which will handle data classified as Medium Risk (Restricted) or High Risk (Highly Restricted) data.

(a) Vendors shall provide a completed Vendor Readiness Assessment Report Non-State Hosted Solutions ("VRAR") as soon as possible after receipt of this BAFO. This report is located at the following website: https://it.nc.gov/documents/vendor-readiness-assessment-report

(b) Vendors shall also provide, upon receipt of this BAFO, a current independent 3rd party assessment report in accordance with the following subparagraphs (i)-(iii). Contract award will be dependent upon approval of the report as defined in subparagraphs (i)-(iii).

(i) Federal Risk and Authorization Management Program (FedRAMP) certification, SOC 2 Type 2, ISO 27001, or HITRUST are the preferred assessment reports for any Vendor solutions which will handle data classified as Medium Risk (Restricted) or High Risk (Highly Restricted).

(ii) A Vendor that cannot provide a preferred independent 3rd party assessment report as described above may submit an alternative assessment, such as a SOC 2 Type 1 assessment report. The Vendor shall provide an explanation for submitting the alternative assessment report. If awarded this contract, a Vendor who submits an alternative assessment report shall submit one of the preferred assessment reports no later than 365 days of the Effective Date of the contract. Timely submission of this preferred assessment report shall be a material requirement of the contract.

(iii) An IaaS vendor cannot provide a certification or assessment report for a SaaS provider UNLESS permitted by the terms of a written agreement between the two vendors and the scope of the IaaS certification or assessment report clearly includes the SaaS solution.

(c) Additional Security Documentation. Prior to contract award, the State may in its discretion require the Vendor to provide additional security documentation, including but not limited to vulnerability assessment reports and penetration test reports. The awarded Vendor shall provide such additional security documentation upon request by the State during the term of the contract.

2.0 TERMS AND CONDITIONS APPLICABLE TO AUDITING SOLUTIONS NOT HOSTED ON STATE INFRASTRUCTURE

a) All materials, including software, Data, information and documentation provided by the State to the Vendor (State Data) during the performance or provision of Services hereunder are the property of the State of North Carolina and must be kept

secure and returned to the State. The Vendor will protect State Data in its hands from unauthorized disclosure, loss, damage, destruction by natural event, or other eventuality. Proprietary Vendor materials shall be identified to the State by Vendor prior to use or provision of Services hereunder and shall remain the property of the Vendor. Derivative works of any Vendor proprietary materials prepared or created during the performance of provision of Services hereunder shall be provided to the State as part of the Services. The Vendor shall not access State User accounts, or State Data, except (i) during data center operations, (ii) in response to service or technical issues, (iii) as required by the express terms of this contract, or (iv) at State's written request. The Vendor shall protect the confidentiality of all information, Data, instruments, studies, reports, records and other materials provided to it by the State or maintained or created in accordance with this Agreement. No such information, Data, instruments, studies, reports, records and other materials in the possession of Vendor shall be disclosed in any form without the prior written agreement with the State. The Vendor will have written policies governing access to and duplication and dissemination of all such information, Data, instruments, studies, reports, records and other materials.

b) The Vendor shall not store or transfer non-public State data outside of the United States. This includes backup data and Disaster Recovery locations. The Service Provider will permit its personnel and contractors to access State of North Carolina data remotely only as required to provide technical support.

c) Protection of personal privacy and sensitive data. The Vendor acknowledges its responsibility for securing any restricted or highly restricted data, as defined by the Statewide Data Classification and Handling Policy (https://it.nc.gov/document/statewide-data-classification-and-handling-policy) that is collected by the State and stored in any Vendor site or other Vendor housing systems including, but not limited to, computer systems, networks, servers, or databases, maintained by Vendor or its agents or subcontractors in connection with the provision of the Services. The Vendor warrants, at its sole cost and expense, that it shall implement processes and maintain the security of data classified as restricted or highly restricted; provide reasonable care and efforts to detect fraudulent activity involving the data; and promptly notify the State of any breaches of security within 24 hours of confirmation as required by N.C.G.S. § 143B-1379.

d) The Vendor will provide and maintain secure backup of the State Data. The Vendor shall implement and maintain secure passwords for its online system providing the Services, as well as all appropriate administrative, physical, technical and procedural safeguards at all times during the term of this Agreement to secure such Data from Data Breach, protect the Data and the Services from loss, corruption, unauthorized disclosure, and the introduction of viruses, disabling devices, malware and other forms of malicious or inadvertent acts that can disrupt the State's access to its Data and the Services. The Vendor will allow periodic back-up of State Data by the State to the State's infrastructure as the State requires or as may be provided by law.

e) The Vendor shall certify to the State:

   i) The sufficiency of its security standards, tools, technologies and procedures in providing Services under this Agreement;

   ii) That the system used to provide the Subscription Services under this Contract has and will maintain a valid 3rd party security certification not to exceed 1 year and is consistent with the data classification level and a security controls appropriate for low or moderate information system(s) per the National Institute of Standards and Technology NIST 800-53 revision 4The State reserves the right to independently evaluate, audit, and verify such requirements.

   iii) That the Services will comply with the following:

      (1) Any DIT security policy regarding Cloud Computing, and the DIT Statewide Information Security Policy Manual; to include encryption requirements as defined below:

         (a) The Vendor shall encrypt all non-public data in transit regardless of the transit mechanism.

         (b) For engagements where the Vendor stores sensitive personally identifiable or otherwise confidential information, this data shall be encrypted at rest. Examples are social security number, date of birth, driver's license number, financial data, federal/state tax information, and hashed passwords. The Vendor's encryption shall be consistent with validated cryptography standards as specified in National Institute of Standards and Technology FIPS140-2, Security Requirements. The key location and other key management details will be discussed and negotiated by both parties. When the Service Provider cannot offer encryption at rest, it must maintain, for the duration of the contract, cyber security liability insurance coverage for any loss resulting from a data breach. Additionally, where encryption of data at rest is not possible, the Vendor must describe existing security measures that provide a similar level of protection;

      (2) Privacy provisions of the Federal Privacy Act of 1974;

      (3) The North Carolina Identity Theft Protection Act, N.C.G.S. Chapter 75, Article 2A (e.g., N.C.G.S. § 75-65 and -66);

      (4) The North Carolina Public Records Act, N.C.G.S. Chapter 132; and

      (5) Applicable Federal, State and industry standards and guidelines including, but not limited to, relevant security provisions of the Payment Card Industry (PCI) Data Security Standard (PCIDSS) including the PCIDSS Cloud

Computing Guidelines, Criminal Justice Information, The Family Educational Rights and Privacy Act (FERPA), Health Insurance Portability and Accountability Act (HIPAA);

(6) Any requirements implemented by the State under N.C.G.S. §§ 143B-1376 and -1377.

f) Security Breach. "Security Breach" under the NC Identity Theft Protection Act (N.C.G.S. § 75-60*ff*) means (1) any circumstance pursuant to which applicable Law requires notification of such breach to be given to affected parties or other activity in response to such circumstance (e.g., N.C.G.S. § 75-65); or (2) any actual, attempted, suspected, threatened, or reasonably foreseeable circumstance that compromises, or could reasonably be expected to compromise, either Physical Security or Systems Security (as such terms are defined below) in a fashion that either does or could reasonably be expected to permit unauthorized Processing (as defined below), use, disclosure or acquisition of or access to any the State Data or state confidential information. "Physical Security" means physical security at any site or other location housing systems maintained by Vendor or its agents or subcontractors in connection with the Services. "Systems Security" means security of computer, electronic or telecommunications systems of any variety (including data bases, hardware, software, storage, switching and interconnection devices and mechanisms), and networks of which such systems are a part or communicate with, used directly or indirectly by Vendor or its agents or subcontractors in connection with the Services. "Processing" means any operation or set of operations performed upon the State Data or State confidential information, whether by automatic means, such as creating, collecting, procuring, obtaining, accessing, recording, organizing, storing, adapting, altering, retrieving, consulting, using, disclosing or destroying.

g) Breach Notification. In the event Vendor becomes aware of any Security Breach due to Vendor acts or omissions other than in accordance with the terms of the Agreement, Vendor shall, at its own expense, (1) immediately notify the State's Agreement Administrator of such Security Breach and perform a root cause analysis thereon, (2) investigate such Security Breach, (3) provide a remediation plan, acceptable to the State, to address the Security Breach and prevent any further incidents, (4) conduct a forensic investigation to determine what systems, data and information have been affected by such event; and (5) cooperate with the State, and any law enforcement or regulatory officials, credit reporting companies, and credit card associations investigating such Security Breach. The State shall make the final decision on notifying the State's persons, entities, employees, service providers and/or the public of such Security Breach, and the implementation of the remediation plan. If a notification to a customer is required under any Law or pursuant to any of the State's privacy or security policies, then notifications to all persons and entities who are affected by the same event (as reasonably determined by the State) shall be considered legally required.

h) Notification Related Costs. Vendor shall reimburse the State for all Notification Related Costs incurred by the State arising out of or in connection with any such Security Breach due to Vendor acts or omissions other than in accordance with the terms of the Agreement resulting in a requirement for legally required notifications. "Notification Related Costs" shall include the State's internal and external costs associated with addressing and responding to the Security Breach, including but not limited to: (1) preparation and mailing or other transmission of legally required notifications; (2) preparation and mailing or other transmission of such other communications to customers, agents or others as the State deems reasonably appropriate; (3) establishment of a call center or other communications procedures in response to such Security Breach (e.g., customer service FAQs, talking points and training); (4) public relations and other similar crisis management services; (5) legal and accounting fees and expenses associated with the State's investigation of and response to such event; and (6) costs for credit reporting services that are associated with legally required notifications or are advisable, in the State's opinion, under the circumstances. If the Vendor becomes aware of any Security Breach which is not due to Vendor acts or omissions other than in accordance with the terms of the Agreement, Vendor shall immediately notify the State of such Security Breach, and the parties shall reasonably cooperate regarding which of the foregoing or other activities may be appropriate under the circumstances, including any applicable Charges for the same.

i) Vendor shall allow the State reasonable access to Services security logs, latency statistics, and other related Services security data that affect this Agreement and the State's Data, at no cost to the State.

j) In the course of normal operations, it may become necessary for Vendor to copy or move Data to another storage destination on its online system, and delete the Data found in the original location. In any such event, the Vendor shall preserve and maintain the content and integrity of the Data, except by prior written notice to, and prior written approval by, the State.

k) Remote access to Data from outside the continental United States, including, without limitation, remote access to Data by authorized Services support staff in identified support centers, is prohibited unless approved in advance by the State Chief Information Officer or the Using Agency.

l) In the event of temporary loss of access to Services, Vendor shall promptly restore continuity of Services, restore Data in accordance with this Agreement and as may be set forth in an SLA, restore accessibility of Data and the Services to meet the performance requirements stated herein or in an SLA. As a result, Service Level remedies will become available to the State as provided herein, in the SLA or other agreed and relevant documents. Failure to promptly remedy any such temporary loss of access may result in the State exercising its options for assessing damages under this Agreement.

m) In the event of disaster or catastrophic failure that results in significant State Data loss or extended loss of access to Data or Services, Vendor shall notify the State by the fastest means available and in writing, with additional notification provided to the State Chief Information Officer or designee of the contracting agency. Vendor shall provide such notification within twenty-four (24) hours after Vendor reasonably believes there has been such a disaster or catastrophic failure. In the notification, Vendor shall inform the State of:

(1) The scale and quantity of the State Data loss;
(2) What Vendor has done or will do to recover the State Data from backups and mitigate any deleterious effect of the State Data and Services loss; and
(3) What corrective action Vendor has taken or will take to prevent future State Data and Services loss.
(4) If Vendor fails to respond immediately and remedy the failure, the State may exercise its options for assessing damages or other remedies under this Agreement.

Vendor shall investigate the disaster or catastrophic failure and shall share the report of the investigation with the State. The State and/or its authorized agents shall have the right to lead (if required by law) or participate in the investigation. Vendor shall cooperate fully with the State, its agents and law enforcement.

n) In the event of termination of this contract, cessation of business by the Vendor or other event preventing Vendor from continuing to provide the Services, Vendor shall not withhold the State Data or any other State confidential information or refuse for any reason, to promptly return to the State the State Data and any other State confidential information (including copies thereof) if requested to do so on such media as reasonably requested by the State, even if the State is then or is alleged to be in breach of the Agreement. As a part of Vendor's obligation to provide the State Data pursuant to this Paragraph 18) n), Vendor will also provide the State any data maps, documentation, software, or other materials necessary, including, without limitation, handwritten notes, materials, working papers or documentation, for the State to use, translate, interpret, extract and convert the State Data.

o) Secure Data Disposal. When requested by the State, the Vendor shall destroy all requested data in all of its forms, for example: disk, CD/DVD, backup tape, and paper. Data shall be permanently deleted and shall not be recoverable, according to National Institute of Standards and Technology (NIST) approved methods and certificates of destruction shall be provided to the State.

EISNERAMPER

(Effective May 22, 2023, Postlethwaite & Netterville has joined EisnerAmper)

A. Title Page

State of North Carolina

Proposal to Provide Professional Services in Response to
RFP Number: DPC-646236801-MT
Authorized Representative: Laura Soileau, Partner

September 6, 2023



8550 United Plaza Blvd.
Suite 1001
Baton Rouge, LA 70809
T 225.922.4600
F 225.922.4611
www.eisneramper.com

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B. Executed Pages and Body of the RFP

STATE OF NORTH CAROLINA
Division of Purchasing & Contract

Refer *ALL* Inquiries regarding this RFP to the procurement lead through the Message Board in the Sourcing Tool. See section 2.6 for details.	**Request for Proposal #: DPC-646236801-MT**
	Proposals will be publicly opened: August 22, 2023, @2:00 PM EST
Using Agency: STATEWIDE	**Commodity No. and Description: 84111600 – Audit Services**
Requisition No.: STC# 8411A	

EXECUTION

In compliance with this Request for Proposals (RFP), and subject to all the conditions herein, the undersigned Vendor offers and agrees to furnish and deliver any or all items upon which prices are bid, at the prices set opposite each item within the time specified herein.

By executing this proposal, the undersigned Vendor understands that false certification is a Class I felony and certifies that:

- this proposal is submitted competitively and without collusion (G.S. 143-54),
- none of its officers, directors, or owners of an unincorporated business entity has been convicted of any violations of Chapter 78A of the General Statutes, the Securities Act of 1933, or the Securities Exchange Act of 1934 (G.S. 143-59.2), and
- it is not an ineligible Vendor as set forth in G.S. 143-59.1.

Furthermore, by executing this proposal, the undersigned certifies to the best of Vendor's knowledge and belief, that:

- it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal or State department or agency.

As required by G.S. 143-48.5, the undersigned Vendor certifies that it, and each of its sub-Contractors for any Contract awarded as a result of this RFP, complies with the requirements of Article 2 of Chapter 64 of the NC General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the federal E-Verify system.

As required by Executive Order 24 (2017), the undersigned vendor certifies will comply with all Federal and State requirements concerning fair employment and that it does not and will not discriminate, harass, or retaliate against any employee in connection with performance of any Contract arising from this solicitation.

G.S. 133-32 and Executive Order 24 (2009) prohibit the offer to, or acceptance by, any State Employee associated with the preparing plans, specifications, estimates for public contracts; or awarding or administering public contracts; or inspecting or supervising delivery of the public contract of any gift from anyone with a contract with the State, or from any person seeking to do business with the State. By execution of this response to the RFP, the undersigned certifies, for Vendor's entire organization and its employees or agents, that Vendor is not aware that any such gift has been offered, accepted, or promised by any employees of your organization.

By executing this bid, Vendor certifies that it has read and agreed to the **INSTRUCTION TO VENDORS** and the **NORTH CAROLINA GENERAL TERMS AND CONDITIONS incorporated herein.** These documents can be accessed from the Ariba Sourcing Tool.

Failure to execute/sign proposal prior to submittal may render proposal invalid and it MAY BE REJECTED. Late proposals shall not be accepted.

COMPLETE/FORMAL NAME OF VENDOR: EAG Gulf Coast, LLC		
STREET ADDRESS: 8550 United Plaza Blvd, #1001	P.O. BOX:	ZIP: 70769
CITY & STATE & ZIP: Baton Rouge, LA 70809	TELEPHONE NUMBER: 225.922.4600	TOLL FREE TEL. NO:
PRINCIPAL PLACE OF BUSINESS ADDRESS IF DIFFERENT FROM ABOVE (SEE INSTRUCTIONS TO VENDORS ITEM #21):		
PRINT NAME & TITLE OF PERSON SIGNING ON BEHALF OF VENDOR: Laura Soileau, Partner	FAX NUMBER: 225.922.4611	

VENDOR'S AUTHORIZED SIGNATURE*: Laura Soileau	**DATE:** 8/28/2023	EMAIL: lsoileau@pncpa.com

VALIDITY PERIOD

Offer shall be valid for at least 120 days from date of bid opening, unless otherwise stated here: _____ days, or if extended by mutual agreement of the parties in writing. Any withdrawal of this offer shall be made in writing, effective upon receipt by the agency issuing this RFP.

ACCEPTANCE OF PROPOSAL

If your proposal is accepted, all provisions of this RFP, along with the written results of any negotiations, shall constitute the written agreement between the parties ("Contract"). The NORTH CAROLINA GENERAL TERMS AND CONDITIONS are incorporated herein and shall apply. Depending upon the Services being offered, other terms and conditions may apply, as mutually agreed.

FOR STATE USE ONLY: Offer accepted and Contract awarded this_____ day of _____, 20____, as indicated on

The attached certification, by _____.

(Authorized Representative of Division of Purchase and Contract)

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1.0 PURPOSE AND BACKGROUND

1.1 PURPOSE

The Department of Administration (DOA) serves as the business manager for North Carolina state government and provides leadership to state government for the effective, efficient, economical, and equitable delivery of services to the public. The department also aids and services many advocacy programs that serve diverse segments of the state's population that have traditionally been underserved. The Division of Purchase and Contract (P&C) is the strategic force behind providing the State's entities with a catalog of Statewide Term Contracts (STC) that provide for an encompassing organized and efficient manner to pool resources to provide goods and services.

The State, through the DOA P&C, is seeking proposals from qualified Vendors, to establish a STC to provide for the State's need of pre-qualified Vendors for supplemental internal auditing assurance, accounting and managerial advisory services through subsequently issued Statements of Work (SOW) to be further competed to awarded qualified vendors, on an "**As-Needed"** basis, if and when requested by State Departments, Agencies, Higher Education Entities, and Other Eligible Entities during the contract period. The intent of this Request for Proposals (hereinafter, "RFP") is to receive pricing from Vendors who will offer savings to the State and who confirm, through Vendors' submission of proposals, an ability to meet the State's needs.

The Contract resulting from this RFP is **mandatory** for State Departments, most State Agencies, and State Higher Education Institutions (except under the conditions specified in G.S. 115D-58.14(a) and G.S. 116-13). The Contract may also be utilized by non-mandatory State Agencies and Other Eligible Entities.

Proposals shall be submitted in accordance with the terms and conditions of this RFP and any addenda issued hereto.

1.2 BACKGROUND

The NC General Assembly passed Session Law 2007-424 creating the Council of Internal Auditing (Council) and requiring most State agencies and universities to establish an internal audit function. There are forty-seven (47) State agencies and Universities with mandated internal audit functions. The Council identified staffing shortages in many State agency and university internal audit functions. Further, pursuant to NCGS 143D, the State Governmental Accountability and Internal Control Act, mandates that all state agencies continually improve their internal controls and agency procedures to ensure the agency's governing body, management, and other personnel, have designed their operations and systems to provide reasonable assurance regarding the achievement of objectives related to the effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulations. To comply with the above statutory mandates, agencies on a periodic basis will need to secure professional services of auditors, accountants, data analyst and managerial advisors who assist in the performance of these critical business functions.

The State is soliciting Vendors under this RFP to address staffing shortages. State agency and university locations are listed in Exhibit 1 attached.

1.3 CONTRACT TERM

The Contract shall have a term of *five (5)* years, beginning on final Contract execution. The State reserves the right to extend a contract term after the last active term.

Proposals shall be submitted in accordance with the terms and conditions of this RFP and any addenda issued hereto.

1.4 ESTIMATED SPEND

Based on the historical usage of the STC, the estimated annual spend is $2,500,000.00. The inclusion of accounting, finance, managerial advisory and data analytic services, will likely increase annual spend significantly.

This amount is not guaranteed and could be more or less than the estimated spend during the contract period. No maximum or minimum quantities are guaranteed.

2.0 GENERAL INFORMATION

2.1 REQUEST FOR PROPOSAL DOCUMENT

This RFP is comprised of the base RFP document, any attachments, and any addenda released before Contract award, which are incorporated herein by reference.

2.2 E-PROCUREMENT FEE

ATTENTION: This is an NC eProcurement solicitation facilitated by the Ariba Network. Pursuant to current state law, no e-procurement fees will be imposed upon approved vendors who provide services associated with this solicitation.

General information on the E-Procurement Services can be found at: http://eprocurement.nc.gov/.

What is the Ariba Network?

The Ariba Network is a web-based platform that serves as a connection point for buyers and vendors. Vendors can log in to the Ariba Network to view purchase orders, respond to electronic requests for quotes, participate in Sourcing Events, and collaborate with buyers on contract documents.

For training on how to use the Sourcing Tool to view solicitations, submit questions, develop responses, upload documents, and submit offers to the State, Vendors should go to the following site:

http://eprocurement.nc.gov/training/vendor-training.

2.3 NOTICE TO VENDORS REGARDING RFP TERMS AND CONDITIONS

It shall be the Vendor's responsibility to read the Instructions to Vendors, the North Carolina General Terms and Conditions, all relevant exhibits and attachments, and any other components made a part of this RFP and comply with all requirements and specifications herein. Vendors are also responsible for obtaining and complying with all Addenda and other changes that may be issued in connection with this RFP.

If Vendors have questions, issues, regarding any component of this RFP, those must be submitted as questions in accordance with the instructions in the PROPOSAL QUESTIONS Section. If the State determines that any changes will be made as a result of the questions asked, then such decisions will be communicated in the form of an RFP addendum. The State may also elect to leave open the possibility for later negotiation of specific provisions of the Contract that have been addressed during the question-and-answer period, prior to contract award.

Other than through the process of negotiation under 01 NCAC 05B.0503, the State rejects and will not be required to evaluate or consider any additional or modified terms and conditions submitted with Vendor's proposal or otherwise. This applies to any language appearing in or attached to the document as part of the Vendor's proposal that purports to vary any terms and conditions or Vendors' instructions herein or to render the proposal non-binding or subject to further negotiation. Vendor's proposal shall constitute a firm offer that shall be held open for the period required herein ("Validity Period" above).

The State may exercise in its discretion to consider Vendor proposed modifications. By execution and delivery of this RFP Response, the Vendor agrees that any additional or modified terms and conditions, whether submitted purposely or inadvertently, shall have no force or effect, and will be disregarded unless expressly agreed upon through negotiations and incorporated by way of a Best and Final Offer (BAFO). Noncompliance with, or any attempt to alter or delete, this paragraph shall constitute sufficient grounds to reject Vendor's proposal as nonresponsive.

2.4 RFP SCHEDULE

The table below shows the *intended* schedule for this RFP. The State will make every effort to adhere to this schedule.

Event	Responsibility	Date and Time
Issue RFP	State	July 14, 2023
Urged & Cautioned Pre-Proposal Conference	State	July 27, 2023 @ 2:00 PM EST
Submit Written Questions	Vendor	August 2, 2023 @ 5:00 PM EST
Provide Response to Questions	State	August 8, 2023
Submit Proposals	Vendor	August 22, 2023 @ 2:00 PM EST **Microsoft Teams meeting** **Join on your computer, mobile app or room device** Click here to join the meeting Meeting ID: 258 653 933 303 Passcode: 5booFX **Join with a video conferencing device** ncgov@m.webex.com Video Conference ID: 117 730 666 7 Alternate VTC instructions **Or call in (audio only)** +1 984-204-1487,,184281593# United States, Raleigh Phone Conference ID: 184 281 593#
Contract Award	State	TBD
Contract Effective Date	State	TBD

2.5 URGED AND CAUTIONED PRE-PROPOSAL CONFERENCE

Date: July 27, 2023
Time: 2:00 PM Eastern Time
Location: **Microsoft Teams Meeting**
Join on your computer, mobile app or room device
Click here to join the meeting
Meeting ID: 212 589 357 587
Passcode: tztzDQ
Join with a video conferencing device
ncgov@m.webex.com
Video Conference ID: 116 055 337 0
Alternate VTC instructions
Or call in (audio only)
+1 984-204-1487,,895953297# United States, Raleigh
Phone Conference ID: 895 953 297#

Contact #: Melinda Tomlinson
984-236-0238
Melinda.tomlinson@doa.nc.gov

Instructions: Vendor representatives are URGED and CAUTIONED to attend the pre-proposal conference and apprise themselves of the conditions and requirements which will affect the performance of the work called for by this RFP. A non-mandatory pre-proposal conference is scheduled for this RFP. Submission of a proposal shall constitute sufficient evidence of this compliance and no allowance will be made for unreported conditions which a prudent Vendor would recognize as affecting the performance of the work called for in this RFP.

Vendor is cautioned that any information released to attendees during the pre-proposal conference, other than that involving the physical aspects of the facility referenced above, and which conflicts with, supersedes, or adds to requirements in this RFP, must be confirmed by written addendum before it can be considered to be a part of this RFP and any resulting contract.

2.6 PROPOSAL QUESTIONS

Upon review of the RFP documents, Vendors may have questions to clarify or interpret the RFP in order to submit the best proposal possible. To accommodate the Proposal Questions process, Vendors shall submit any such questions by the "Submit Written Questions" date and time provided in the RFP SCHEDULE Section above, unless modified by Addendum.

Questions related to the content of the solicitation, or the procurement process should be directed to the person on the title page of this document via the Sourcing Tool's message board by the date and time specified in the RFP SCHEDULE Section of this RFP. Vendors will enter "**RFP # DPC-646236801-MT – Questions**" as the subject of the message. Question submittals should include a reference to the applicable RFP section. This is the only manner in which questions will be received.

Questions or issues related to using the Sourcing Tool itself can be directed to the North Carolina eProcurement Help Desk at 888-211-7440, Option 2. Help Desk representatives are available Monday through Friday from 7:30 AM ET to 5:00 PM ET.

Questions received prior to the submission deadline date, the State's response, and any additional terms deemed necessary by the State will be posted in the Sourcing Tool in the form of an addendum and shall become an Addendum to this RFP. No information, instruction or advice provided orally or informally by any State personnel, whether made in response to a question or otherwise in connection with this RFP, shall be considered authoritative or binding. Vendors shall rely *only* on written material contained in the RFP and an addendum to this RFP.

2.7 PROPOSAL SUBMITTAL

IMPORTANT NOTE: This is an absolute requirement. Late bids, regardless of cause, will not be opened or considered, and will be automatically disqualified from further consideration. Vendor shall bear the sole risk of late submission due to unintended or unanticipated delay. It is the Vendor's sole responsibility to ensure its proposal has been received as described in this RFP by the specified time and date of opening. Failure to submit a proposal in strict accordance with instructions provided shall constitute sufficient cause to reject a Vendor's proposal(s). Solicitation responses are subject to Sealed Bidding requirements.

Vendor's proposals for this procurement must be submitted through the Sourcing Tool. For training on how to use the Sourcing Tool to view solicitations, submit questions, develop responses, upload documents, and submit offers to the State, Vendors should go to the following site: https://eprocurement.nc.gov/training/vendor-training

Questions or issues related to using the Sourcing Tool itself can be directed to the North Carolina eProcurement Help Desk at 888-211-7440, Option 2. Help Desk representatives are available Monday through Friday from 7:30 AM EST to 5:00 PM EST.

Tips for Using the Sourcing Tool

1. Vendors should review available training and confirm that they are able to access the Sourcing Event, enter responses, and upload files well in advance of the date and time response are due to allow sufficient time to seek assistance from the North Carolina eProcurement Help Desk.
2. Vendors may submit their responses early to make sure there are no issues, and then submit a revised response any time prior to the response due date and time. The State will only review the most recent response.
3. Vendors should respond to all relevant sections of the Sourcing Event. Certain questions or items are required in order to submit a response and are denoted with an asterisk. The Sourcing Tool will not allow a response to be submitted unless

all required items are completed. The Sourcing Tool will provide error messages to help identify any required information that is missing when response is submitted.

4. Simply saving your response in the Sourcing Tool is not the same as submitting your response to the State. Vendors should make sure they complete the submission process and receive a message that their response was successfully submitted.

P&C recommends the following naming conventions when uploading files:

- **Solicitation Number-Proposal Response-Vendor Name**
- **Solicitation Number-Proposal Response-Vendor Name-Pricing Catalog**
- **Solicitation Number-Proposal Response-Vendor Name-Attachment**

Example:

- **DPC-467952775-BJ -Office Supplies-Response-Xyz Corporation**
- **DPC-467952775-BJ -Office Supplies-Response-Xyz Corporation-Pricing Catalog**
- **DPC-467952775-BJ -Office Supplies-Response-Xyz Corporation-Attachment D**

If confidential and proprietary information is included in the proposal, also submit one (1) signed, REDACTED copy of the proposal. Such information may include trade secrets defined by N.C. Gen. Stat. § 66-152 and other information exempted from the Public Records Act pursuant to N.C. Gen. Stat. §132- 1.2. Vendor may designate information, Products, Services or appropriate portions of its response as confidential, consistent with and to the extent permitted under the statutes and rules set forth above. By so redacting any page, or portion of a page, the Vendor warrants that it has formed a good faith opinion, having received such necessary or proper review by counsel and other knowledgeable advisors, that the portions determined to be confidential and proprietary and redacted as such, meet the requirements of the Rules and Statutes set forth above. However, under no circumstances shall price information be designated as confidential.

If the Vendor does not provide a redacted version of the proposal with its proposal submission, the Department may release an unredacted version if a record request is received.

2.8 PROPOSAL CONTENTS

Vendors shall provide responses to all questions and complete all attachments for this RFP that require the Vendor to provide information and upload them to the Sourcing Event in the Sourcing Tool. Vendor may not be able to submit its response in the Sourcing Tool unless all required items are addressed. Vendors shall provide authorized signatures where requested. Failure to provide all required items, or Vendor's submission of incomplete items, may result in the State rejecting Vendor's proposal, in the State's sole discretion.

Vendor shall include the following items and attachments in the Sourcing Tool:

a) Title Page: Include the company name, address, phone number and authorized representative along with the Proposal Number.

b) Completed and signed version of all EXECUTION PAGES, along with the body of the RFP.

c) Signed receipt pages of any addenda released in conjunction with this RFP, if required to be returned.

d) Vendor's Proposal addressing all Specifications of this RFP: 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 5.4, 5.5, 6.1

e) Completed version of ATTACHMENT A: COST PROPOSAL

f) Completed and signed version of ATTACHMENT D: HUB SUPPLEMENTAL VENDOR INFORMATION

g) Completed and signed version of ATTACHMENT E: CUSTOMER REFERENCE FORM

h) Completed and signed version of ATTACHMENT F: LOCATION OF WORKERS UTILIZED BY VENDOR

i) Completed and signed version of CERTIFICATION FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS and OMB STANDARD FORM LLL

j) Vendor's Response and Documentation for:

   a. Legal Right to practice in the State of North Carolina

   b. External Review and Regulatory Action

c. Financial Statements

2.9 ALTERNATE PROPOSALS

Unless provided otherwise in this RFP, Vendors may submit alternate proposals for comparable services, various methods or levels of Service(s), or that propose different options. Alternate proposals must specifically identify the RFP requirements and advantage(s) addressed by the alternate proposal. Each proposal must be for a specific set of Services and must include specific pricing. Each proposal must be complete and independent of other proposals offered. If a Vendor chooses to respond with various offerings, Vendor shall follow the specific instructions for uploading Alternate Proposals in the Sourcing Tool.

2.10 DEFINITIONS, ACRONYMS, AND ABBREVIATIONS

Relevant definitions for this RFP are provided in 01 NCAC 05A .0112 and in the Instructions to Vendors found in the Sourcing Tool, which are incorporated herein by this reference.

The following definitions, acronyms, and abbreviations are also relevant to this RFP:

a) **COBIT**: Control Objectives for Information and Related Technology (COBIT) issued by the Information Systems Audit and Control Association

b) **GAGAS**: Generally Accepted Government Auditing Standards issued by the United States General Comptroller.

c) **IIA**: International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditor's.

d) **ISO Standards**: Issued by the International Organization for Standardization.

e) **GAAP** – Generally Accepted Accounting Principles issued by the Financial Accounting Standards Board.

3.0 METHOD OF AWARD AND PROPOSAL EVALUATION PROCESS

3.1 METHOD OF AWARD

North Carolina G.S. 143-52 provides a general list of criteria the State shall use to award contracts, as supplemented by the additional criteria herein. The Services being procured shall dictate the application and order of criteria; however, all award decisions shall be in the State's best interest. All qualified proposals will be evaluated, and awards will be made to the Vendor(s) meeting the specific RFP Specifications and achieving the best final evaluation, based on the criteria described below.

While the intent of this RFP is to award a Contract(s) to multiple Vendors, the State reserves the right to make separate awards to different Vendors for one or more line-items, to not award one or more line-items or to cancel this RFP in its entirety without awarding a Contract, if it is considered to be most advantageous to the State to do so.

The State reserves the right to waive any minor informality or technicality in proposals received.

3.2 CONFIDENTIALITY AND PROHIBITED COMMUNICATIONS DURING EVALUATION

While this RFP is under evaluation, the responding Vendor, including any subcontractors and suppliers, is prohibited from engaging in conversations intended to influence the outcome of the evaluation. See Paragraph 29 of the Instructions to Vendors entitled COMMUNICTIONS BY VENDORS.

Each Vendor submitting a proposal to this RFP, including its employees, agents, subcontractors, suppliers, subsidiaries and affiliates, is prohibited from having any communications with any person inside or outside the using agency; issuing agency; other government agency office or body (including the purchaser named above, any department secretary, agency head, members of the General Assembly and Governor's office); or private entity, if the communication refers to the content of Vendor's proposal or qualifications, the content of another Vendor's proposal, another Vendor's qualifications or ability to perform a resulting contract, and/or the transmittal of any other communication of information that could be reasonably considered to have the effect of directly or indirectly influencing the evaluation of proposals, the award of a contract, or both.

Any Vendor not in compliance with this provision shall be disqualified from evaluation and award. A Vendor's proposal may be disqualified if its subcontractor and/or supplier engage in any of the foregoing communications during the time that the

procurement is active (*i.e.*, the issuance date of the procurement until the date of contract award or cancellation of the procurement). Only those discussions, communications or transmittals of information authorized or initiated by the issuing agency for this RFP or inquiries directed to the purchaser named in this RFP regarding requirements of the RFP (prior to proposal submission) or the status of the award (after submission) are excepted from this provision.

3.3 PROPOSAL EVALUATION PROCESS

Only responsive submissions will be evaluated.

The State will conduct a One-Step evaluation of Proposals:

Proposals will be received according to the method stated in the Proposal Submittal Section above.

All proposals must be received by the Division of Purchase and Contract not later than the date and time specified in the RFP SCHEDULE Section above, unless modified by Addendum. Vendors are cautioned that this is a request for offers, not an offer or request to contract, and the State reserves the unqualified right to reject any and all offers at any time if such rejection is deemed to be in the best interest of the State.

At the date and time provided in the RFP SCHEDULE Section above, unless modified by Addendum, the proposal from each responding Vendor will be opened publicly and all offers (except those that have been previously withdrawn, or voided bids) will be tabulated. The tabulation shall be made public at the time it is created. When negotiations after receipt of bids are authorized pursuant to G.S. 143-49 and 01 NCAC 05B.0503, only the names of offerors and the Services offered shall be tabulated at the time of opening. If negotiation is anticipated, cost and price shall become available for public inspection at the time of the award. Interested parties are cautioned that these costs and their components are subject to further evaluation for completeness and correctness and therefore may not be an exact indicator of a Vendor's pricing position.

At their option, the evaluators may request oral presentations or discussions with any or all Vendors for clarification or to amplify the materials presented in any part of the proposal. Vendors are cautioned, however, that the evaluators are not required to request presentations or other clarification—and often do not. Therefore, all proposals should be complete and reflect the most favorable terms available from the Vendor.

If negotiation is anticipated under 01 NCAC 05B.0503, pricing may not be public until award.

Upon completion of the evaluation process, the State will make award(s) based on the evaluation and post the award(s) to the electronic Vendor Portal (eVP), https://evp.nc.gov under the RFP number for this solicitation. Award of a Contract to one Vendor does not mean that the other proposals lacked merit, but that, all factors considered, the selected proposal was deemed most advantageous and represented the best value to the State.

The State reserves the right to negotiate with one or more vendors, or to reject all original offers and negotiate with one or more sources of supply that may be capable of satisfying the requirement, and in either case to require Vendor to submit a Best and Final Offer (BAFO) based on discussions and negotiations with the State.

3.4 EVALUATION CRITERIA

In addition to the general criteria in G.S. 143-52 which may or may not be relevant to this RFP, all qualified proposals will be evaluated, and award made based on considering the following criteria, to result in an award most advantageous to the State. Note that absolute requirements of verified documentation are required for further evaluation, to include:

1. Legal Right to practice in the State of North Carolina
2. External Review and Regulatory Action

Evaluation Criteria	RFP Section	Points
Vendor's Relevant Background and Experience	4.4, 4.5	300
Financial Statements	4.8	200
Personnel	4.11	350
Cost Proposal	4.9, Attachment A	150
TOTAL	**700 required for award**	**1000**
NC License to Practice	4.6	Pass/Fail
External Review/Regulatory Action	4.7	Pass/Fail

3.5 PERFORMANCE OUTSIDE THE UNITED STATES

Vendor shall complete ATTACHMENT F: LOCATION OF WORKERS UTILIZED BY VENDOR. In addition to any other evaluation criteria identified in this RFP, the State may also consider, for purposes of evaluating proposed or actual contract performance outside of the United States, how that performance may affect the following factors to ensure that any award will be in the best interest of the State:

a) Total cost to the State
b) Level of quality provided by the Vendor
c) Process and performance capability across multiple jurisdictions
d) Protection of the State's information and intellectual property
e) Availability of pertinent skills
f) Ability to understand the State's business requirements and internal operational culture
g) Particular risk factors such as the security of the State's information technology
h) Relations with citizens and employees
i) Contract enforcement jurisdictional issues

3.6 INTERPRETATION OF TERMS AND PHRASES

This RFP serves two functions: (1) to advise potential Vendors of the parameters of the solution being sought by the State; and (2) to provide (together with other specified documents) the terms of the Contract resulting from this procurement. The use of phrases such as "shall," "must," and "requirements" are intended to create enforceable contract conditions. In determining whether proposals should be evaluated or rejected, the State will take into consideration the degree to which Vendors have proposed or failed to propose solutions that will satisfy the State's needs as described in the RFP. Except as specifically stated in the RFP, no one requirement shall automatically disqualify a Vendor from consideration. However, failure to comply with any single requirement may result in the State exercising its discretion to reject a proposal in its entirety.

4.0 REQUIREMENTS

This Section lists the requirements related to this RFP. By submitting a proposal, the Vendor agrees to meet all stated requirements in this Section as well as any other specifications, requirements, and terms and conditions stated in this RFP. If a Vendor is unclear about a requirement or specification or believes a change to a requirement would allow for the State to receive a better proposal, the Vendor is urged to submit these items in the form of a question during the question-and-answer period in accordance with the Proposal Questions Section above.

4.1 PRICING

Proposal price shall constitute the total cost to the State for complete performance in accordance with the requirements and specifications herein, including all applicable charges for handling, transportation, administrative and other similar fees. Complete ATTACHMENT A: PRICING FORM and upload in the Sourcing Tool. The pricing provided in ATTACHMENT A, or resulting from any negotiations, is incorporated herein and shall become part of any resulting Contract.

4.2 INVOICES

Vendor shall invoice the Soliciting Agency. The standard format for invoicing shall be single invoices meaning that the Vendor shall provide the Purchasing Agency with an invoice for each order. Invoices shall include detailed information to allow the Soliciting Agency to verify pricing at point of receipt matches the correct price from the original date of order. The following fields shall be included on all invoices, as relevant:

Vendor's Billing Address, Customer Account Number, NC Contract Number, Order Date, Buyer's Order Number, Item Descriptions, Price, Quantity, and Unit of Measure.

INVOICES MAY NOT BE PAID UNTIL SERVICES ACCEPTED BY THE AGENCY'S DESIGNATED CONTRACT MANAGER.

4.3 HUB PARTICIPATION

Pursuant to North Carolina General Statute G.S. 143-48, it is State policy to encourage and promote the use of small, minority, physically handicapped, and women contractors in purchasing Goods and Services. As such, this RFP will serve to identify those Vendors that are minority owned or have a strategic plan to support the State's Historically Underutilized Business program by meeting or exceeding the goal of 10% utilization of diverse firms as 1st or 2nd tier subcontractors. Vendor shall complete ATTACHMENT D: HUB SUPPLEMENTAL VENDOR INFORMATION.

4.4 VENDOR EXPERIENCE

In its Proposal, Vendor shall demonstrate experience with public and/or private sector clients with similar or greater size and complexity to the State. Vendor shall provide information as to the qualifications and experience of all executive, managerial, legal, and professional personnel that were assigned to similar projects.

a) In its proposal response the Vendor shall include background information on its company and should give details of experience with similar projects that would substantiate the Vendor's qualifications and capabilities to perform the services described in Section 5.2 Audit, Accounting, Data Analytic and Managerial Advisory Service category.

4.5 REFERENCES

Vendor shall provide a list of at least five (5) contracts for which Vendor has performed services of a similar nature and scope, as identified in Section 5.2, within the last five (5) years. This list shall identify the client and a description of the services performed, for use as references (including names and telephone numbers of contact persons who are familiar with the work performed). The evaluators will randomly select and contact at least three (3) of these references, but the evaluators reserve the right to contact all the references listed, if information from the three references contacted warrant further inquiry.

The evaluators may check all public sources to determine whether a Vendor has listed all contracts for similar work within the designated period. If the evaluators determine that references for other public contracts for similar work were not listed, the evaluators may contact the public entities to make inquiry into the Vendor's performance of those contracts and the information obtained may be considered in evaluating Vendor's proposal. It is highly recommended the Vendor list all services provided to any North Carolina State agencies and/or the University of North Carolina including all campuses no matter the procurement method used to obtain these services.

4.6 LEGAL RIGHT TO PRACTICE IN NORTH CAROLINA

Proposal may be rejected solely on the basis of this information

In its proposal response, Vendor must demonstrate that it is legally authorized to practice in North Carolina. This may include but is not limited to:

1. Articles of Incorporation
2. DBA filed with NC Counties
3. Licensee information from the NC State Board of CPA Examiners
4. Other associated documents that provide evidence the vendor is authorized to practice and provide services in North Carolina

4.7 EXTERNAL REVIEWS AND REGULATORY ACTION

Proposal may be rejected solely on the basis of this information

a. In its proposal response, Vendor shall provide a copy of its most recent external peer/quality assurance review report and any letter of comments or similar correspondence describing deficiencies noted in the peer review. Vendor must have received an unqualified opinion on its system of quality control and the peer review must have been performed within the last three (3) years. The Vendor's failure to provide an external peer/quality assurance review report and any letter of comments or similar correspondence describing deficiencies will result in the rejection of the Vendor's proposal. Vendors are encouraged to explain any deficiencies described in the above-mentioned documents and to provide documentation supporting those explanations.

b. Vendors not subject to the American Institute of Certified Public Accountants external review requirements must provide detailed information regarding all aspects of the Vendor's formal internal quality control program/process. This should include but is not limited to: quality control policies and procedures; any independent evaluation or self-assessment of the quality control program; summary results of client surveys; or any other data supporting the success of the quality control process.

c. In its proposal response, Vendor shall include a statement asserting whether or not any regulatory sanctions have been levied against it or any of its partners, officers, directors, employees, or agents by any state or federal regulatory agencies within the last three (3) years. As used herein, the term "regulatory sanctions" includes the revocation or suspension of any license or certification, the levying of any monetary penalties or fines, and the issuance of any written warnings. If any such action has been taken, the Vendor shall include a complete description of the action and the circumstances that resulted in the action.

d. In its proposal response, The Vendor shall include a statement asserting whether or not any regulatory investigations are pending against the vendor or any of their officers, directors, employees, and agents by state or federal regulatory agencies. If any such investigations are pending, the vendor shall include a complete description of the pending investigation.

e. In its proposal response, Vendors shall include a statement certifying it has no outstanding liabilities to the Internal Revenue Service, other government entities or unpaid final judgments for which it remains liable.

4.8 FINANCIAL STATEMENT

a. For Vendors required by law to have financial statement audits provide the following information in the proposal response:

1. Recent audited or reviewed financial statements prepared by an independent certified public accountant (CPA) that shall include, at a minimum, a balance sheet, income statement (i.e., profit/loss statement) and cash flow statement **and**, if the audited or reviewed financial statements were prepared more than six (6) months prior to the issuance of this RFP, the vendor shall submit its most recent internal financial statements (balance sheet, income statement and cash flow statement or budget with entries reflecting revenues and expenditures from the date of the audited or reviewed financial statements to the end of the most recent financial reporting period (i.e., the quarter or month preceding the issuance date of this RFP); or

2. Recent compiled financial statements prepared by an independent CPA that shall include, at a minimum, a balance sheet, income statement (i.e., profit/loss statement) and cash flow statement **and**, if the compiled financial statements were prepared more than three (3) months prior to the issuance of this RFP, the Vendor shall submit its most recent internal financial statements (balance sheet, income statement and cash flow statement or budget with entries reflecting revenues and expenditures to date), and other evidence of financial stability such as most recently filed income tax return, evidence of a line of credit/loans/other type of financing with statement of amount in use/outstanding balance (e.g., a complete copy commitment letter, loan agreement, billing statement reflecting the line of credit or statement from lender acknowledging the commitment to fund the vendor's stated financing), performance bond, personal guaranty with copies of personal income tax filing and statement of net worth or such other evidence that is accurate, reliable and trustworthy regarding the

vendor's financial stability.

b. For Vendors not required by law to have a financial statement audit, provide the following information in the proposal response:

    1. Most recent internal financial statements: a balance sheet, income statement (i.e. profit/loss statement), and cash flow statement from the most recent financial reporting period and to the end of the most recent financial reporting period (i.e., the quarter or month preceding the issuance date of this RFP), and other evidence of financial stability such as most recently filed income tax return, evidence of a line of credit/loans/other type of financing with statement of amount in use/outstanding balance (e.g., a complete copy commitment letter, loan agreement, billing statement reflecting the line of credit or statement from lender acknowledging the commitment to fund the vendor's stated financing), performance bond, personal guaranty with copies of personal income tax filing and statement of net worth or such other evidence that is accurate, reliable and trustworthy regarding the Vendor's financial stability.

Note: Recent shall be defined as financial statements that were prepared within the 12 months preceding the issuance date of this RFP.

Consolidated financial statements of the Vendor's parent or related corporation/business entity shall not be considered, unless: (1) the Vendor's actual financial performance for the designated period is separately identified in and/or attached to the consolidated statements; (2) the parent or related corporation/business entity provides the State with a document wherein the parent or related corporation/business entity will be financially responsible for the Vendor's performance of the contract and the consolidated statement demonstrates the parent or related corporation's/business entity's financial ability to perform the contract, financial stability and/or such other financial considerations identified in the evaluation criteria; and/or (3) Vendor provides its own internally prepared financial statements and such other evidence of its own financial stability identified above.

The Vendor's failure to provide any of the above-referenced financial statements or failure to submit all the requested financial statements may result in the rejection of the Vendor's proposal. Vendors are also encouraged to explain any negative financial information in its financial statements and are encouraged to provide documentation supporting those explanations.

All financial information, statements and/or documents provided in response to this proposal requirement may be kept confidential, **IF THE VENDOR COMPLIES WITH SECTION VI PARAGRAPH 28 BID SUBMISSION IN THE INSTRUCTIONS TO VENDORS ON SUBMITTING PROPOSALS BY MARKING THE FINANCIAL INFORMATION, STATEMENTS AND/OR DOCUMENTS CONFIDENTIAL.**

4.9 COST PROPOSAL

Vendors that are awarded contracts by agencies will provide skilled audit professionals (skilled with documented expertise and experience) qualified in one (1) or more of the service categories described within Section 5.2 of this RFP.

Vendors shall indicate the service categories in which they wish to be considered by submitting base or upper rates for staff, supervisor, and executive hourly rate ranges for each on the pricing schedule (Attachment A). Vendors may provide rates for one (1) or more service categories but may not necessarily receive approval for all categories submitted.

For each service category, the Vendor shall provide the following:

Assurance Services (audits)

a. Auditor

    1. *Base Rate:* The rate that the Vendor will provide an auditor that meets the minimum qualifications. Base rates quoted as a result of the RFP proposal do not preclude any Vendor from offering a rate lower than the established base rate in response to an agency's SOW request for services.

    2. *Upper Rate:* The maximum rate that the Vendor will provide an auditor with expert qualifications that demonstrated success. Upper Rates as quoted in this RFP will preclude any Vendor from offering a rate for an auditor higher than the established upper rate in response to a soliciting agency's request for services.

Examples of base and upper qualifications are listed in Attached Exhibit 2.

b. Audit Supervisor
The audit supervisor may be responsible for planning and conducting the audit, directing a team of highly skilled and/or lower-level auditors, and assuring the audit engagement is completed timely. Vendors should provide an hourly rate for staff with these skill sets. Typically has 10 years of experience.

c. Audit Executive
The audit executive has the overall responsibilities to ensure compliance with standards, staff is competent and adequately trained, and audit clients are satisfied with completed work.

Accounting Services

a. Accounting Staff

1. Base Rate: The rate that the Vendor will provide an associate accountant that meets the minimum qualifications. Base rates quoted as a result of the RFP proposal do not preclude any Vendor from offering a rate lower than the established base rate in response to an agency's SOW request for services.

2. Upper Rate: The rate that the Vendor will provide an staff accountant that meets the minimum qualifications. Base rates quoted as a result of the RFP proposal do not preclude any Vendor from offering a rate lower than the established base rate in response to an agency's SOW request for services.

Examples of base and upper qualifications are listed in Attached Exhibit 2.

b. Supervisor
The accounting supervisor is responsible for directing a team of highly skilled and/or lower-level accountants, and assuring the work is completed in a timely manner. Typically has 10 years of experience. Vendors should provide an hourly rate for staff with these skill sets.

Executive The accounting firm's partner or senior director who may be a Certified Public Accountant (CPA)and has the overall responsibilities to ensure compliance with standards, staff is competent and adequately trained, and clients are satisfied with completed work.

Managerial Advisory Services

a. Advisory Staff

1. Base Rate: The rate that the Vendor will provide an advisor/analyst that meets the minimum qualifications. Base rates quoted as a result of the RFP proposal do not preclude any Vendor from offering a rate lower than the established base rate in response to an agency's SOW request for services.

2. Upper Rate: The maximum rate that the Vendor will provide an advisor/analyst with expert qualifications that demonstrated success. Upper Rates as quoted in this RFP will preclude any Vendor from offering a rate for an auditor higher than the established upper rate in response to a soliciting agency's request for services.

Examples of base and upper qualifications are listed in Attached Exhibit 2.

b. Supervisor
The supervisor may be responsible for planning and conducting the advisory service, directing a team of highly skilled and/or lower-level advisors/analysts, and assuring the engagement is completed timely. Vendors should provide an hourly rate for staff with these skill sets. Typically has 10 years of experience.

c. Executive
Partner or senior director level has the overall responsibilities to ensure compliance with standards, staff is competent and adequately trained, and audit clients are satisfied with completed work.

Data Analytics Service

a. Data Analytic Staff

1. Base Rate: The rate that the Vendor will provide a data analyst that meets the minimum qualifications. Base rates quoted as a result of the RFP proposal do not preclude any Vendor from offering a rate lower than the established base rate in response to an agency's SOW request for services.

2. Upper Rate: The maximum rate that the Vendor will provide an data analyst with expert qualifications that demonstrated success. Upper Rates as quoted in this RFP will preclude any Vendor from offering a rate for an auditor higher than the established upper rate in response to a soliciting agency's request for services.

Examples of base and upper qualifications are listed in Attached Exhibit 2.

b. Supervisor

The supervisor may be responsible for planning and conducting the data analytic service, directing a team of highly skilled and/or lower-level data analysts, and assuring the engagement is completed in a timely manner. Vendors should provide an hourly rate for staff with these skill sets. Typically has 10 years of experience.

c. Executive

Partner or senior director level has the overall responsibilities to ensure compliance with standards, staff is competent and adequately trained, and audit clients are satisfied with completed work.

d. Other professional staff – At their discretion, responding firms may include hourly rates for additional professional advisory staff experienced in organizational operations, business administration, economic or revenue analysis and related managerial advisory tasks and functions.

4.10 ADDITIONAL REQUIREMENTS

a. Work Papers

Any and all work papers, documents, and reports (hereinafter referred to as work papers) created or obtained under the agreement between the soliciting agencies and Vendor are the property of the soliciting agency. All work papers shall be provided to the agency and the Vendor shall not retain copies of any of the work papers unless the Vendor is required to comply with quality assurance review auditing standards and when the soliciting agencies agrees, in writing, to waive this requirement.

b. Personnel Matters

1. ***Professionalism*** - The Vendor's personnel shall adhere to the same professional and ethical standards of conduct required of State personnel. Vendor personnel shall not:
   i. Discuss with unauthorized persons any information obtained in the performance of work under any agency's solicitation document.
   ii. Use agency data for company or personal business other than work related to the solicitation document,
   iii. Conduct business not directly related to the solicitation document on the agency premises,
   iv. Use computer system, equipment and/or other agency facilities for company or personal business other than work related to the solicitation document, and
   v. Recruit on agency premises or otherwise act to disrupt agency business.

2. ***Training*** - The Vendor shall provide fully trained and experienced personnel required for performance of any solicitation document. This includes training necessary for keeping personnel abreast of industry advances and maintaining proficiency with auditing standards.

3. ***Authority*** - Vendor personnel shall not hold themselves out to be agents or representatives, in any capacity, of the State. In all communications with third parties, vendor personnel shall identify themselves as such and specify the name of the Vendor.

4. ***Vendor Staff Turnover*** - After the procurement process has concluded and Vendors have been selected by the state, approved Vendors selected by soliciting agencies who are working on agency audit engagements or related audit, accounting and managerial advisory services may experience Vendor staff turnover. The Vendor must provide equally qualified personnel to replace departing personnel resources who were previously working on the

engagement. The soliciting agency reserves the right to pre-screen or not approve of replacement personnel to engage in the same audit activities as the original departing personnel.

5. ***Vendor Staff Background Checks*** - After the procurement process has concluded and Vendors have been selected by the state, approved Vendors selected by soliciting agencies who are working on agency audit engagements may by the nature of the soliciting agency (e.g., law enforcement investigative agency) have access to agency files, records and information that involve criminal investigations or related sensitive matters. Soliciting agencies using state selected audit service Vendors, reserve the right to require that a satisfactory criminal or financial background check be completed for any or all Vendor audit, accounting and managerial advisory personnel assigned to the audit engagement. These background checks may be required as part of the agency solicitation document review process. The costs associated with these background checks may be paid by the soliciting agency or by the state approved services Vendor, at the election of the soliciting agency. The soliciting agency will keep all background check results confidential and will provide copies to the state approved audit service Vendor if the results serve as a basis to refuse Vendor services or Vendor employee participation in the audit engagement.

c. Confidentiality

Any information, data, instruments, documents, studies or reports given to or prepared or assembled by the Vendor under this agreement shall be kept as confidential and not divulged or made available to any individual or organization without the prior written approval of the soliciting Agency. The only exceptions are disclosure required by law, legal process or applicable professional audit standards.

d. Records Retention

The policy set forth by the North Carolina Council of Internal Auditing shall be followed for record retention. The policy for record retention requirements covers internal audit reports, other reports, working papers and any other documents that support any reports observations, conclusions, findings or results. Record retention requirements shall be consistent with any pertinent regulatory or other requirements and records shall be maintained for a minimum of ten years.

e. Travel

The state will not pay travel costs to and from the designated workplace for Vendor's personnel. In the event that Vendor personnel are required by the State to travel away from the regularly assigned work location to perform related tasks, the State will, upon preapproval, reimburse the Vendor in accordance with the North Carolina state travel guidelines in Chapter 5 of the North Carolina Budget Manual, which can be found at: *https://www.osbm.nc.gov/budget/budget-manual*

4.11 PERSONNEL

In its proposal the Vendor shall provide information as to the qualifications and experience of current audit, accounting, managerial advisors, and data analytics personnel that may be assigned to each of the service categories for which the Vendor submits a proposal. Personnel qualifications may include documentation citing educational background, experience with similar projects and related certification, as well as the number of years of experience with each type of service category, as identified in the Section 5 Scope of Works, Audit Service Categories.

Vendor warrants that qualified personnel shall provide Services under this Contract in a professional manner. "Professional manner" means that the personnel performing the Services will possess the skill and competence consistent with the prevailing business standards in the industry. Vendor will serve as the prime contractor under this Contract and shall be responsible for the performance and payment of all subcontractor(s) that may be approved by the State. Names of any third-party Vendors or subcontractors of Vendor may appear for purposes of convenience in Contract documents; and shall not limit Vendor's obligations hereunder. Vendor will retain executive representation for functional and technical expertise as needed in order to incorporate any work by third party subcontractor(s).

Should the Vendor's proposal result in an award, the Vendor shall be required to agree that it will not substitute key personnel assigned to the performance of the Contract without prior written approval by the Contract Lead. Vendor shall further agree that it will notify the Contract Lead of any desired substitution, including the name(s) and references of Vendor's recommended

substitute personnel. The State will approve or disapprove the requested substitution in a timely manner. The State may, in its sole discretion, terminate the Services of any person providing Services under this Contract. Upon such termination, the State may request acceptable substitute personnel or terminate the contract Services provided by such personnel.

4.12 VENDOR'S REPRESENTATIONS

If Vendor's Proposal results in an award, Vendor agrees that it will not enter any agreement with a third party that may abridge any rights of the State under the Contract. If any Services, deliverables, functions, or responsibilities not specifically described in this solicitation are required for Vendor's proper performance, provision and delivery of the Service and deliverables under a resulting Contract, or are an inherent part of or necessary sub-task included within such Service, they will be deemed to be implied by and included within the scope of the Contract to the same extent and in the same manner as if specifically described in the Contract. Unless otherwise expressly provided herein, Vendor will furnish all of its own necessary management, supervision, labor, facilities, furniture, computer and telecommunications equipment, software, supplies and materials necessary for the Vendor to provide and deliver the Services and/or other Deliverables.

Vendor warrants that it has the financial capacity to perform its obligations under the contract; that Vendor has no constructive or actual knowledge of an actual or potential legal proceeding being brought against Vendor that could materially adversely affect performance of The Contract; and that entering into a Contract is not prohibited by any contract, or an order by any court of competent jurisdiction.

4.12 AGENCY INSURANCE REQUIREMENTS

Default Insurance Coverage from the General Terms and Conditions applicable to this Solicitation:

☐ Small Purchases

☐ Contract value in excess of the Small Purchase threshold, but up to $1,000,000.00

☒ Contract value in excess of $1,000,000.00

5.0 SCOPE OF WORK

5.1 GENERAL

Audits, accounting, data analytics or managerial services are performed to either ascertain the validity and reliability of information; to provide an assessment of a system's internal controls or operations; to recommend improvements in efficiency and effectiveness of operations; adherence to laws and regulations, fill an unmet staffing needs, or provide forecasting .

Any agency may identify a need for internal audit assurance, accounting, data analytics or managerial advisory service short term staff through the issuance of a Scope of Work (SOW). The hiring agency's staffing needs may vary in terms of resources required, dates of service and length of assignment.

5.2 INTERNAL AUDIT ASSURANCE , ACCOUNTING & ADVISORY SERVICE CATEGORIES

The Vendors shall provide qualified, experienced staff to conduct or participate as a team member on one (1) or more of the following types of Services.

a. ***Operational/Performance Audit***

An operational audit is a systematic and independent evaluation of organizational activities. Financial data maybe used, but the primary sources of evidence are the operational policies and achievements related to organizational objectives. Internal controls and efficiencies may be evaluated during this type of review.

An operational audit tests an agency's internal systems and procedures for efficiency and effectiveness. These audits test operations for efficiency and effectiveness. Operational audits are usually a deeper review of an agency's operations than a financial audit, which is conducted in an after-the-fact audit process. Benefits from operational audits include objective opinions, improved workflow or cost allocation processes and quicker turnaround times.

An operational audit usually uncovers inefficient use of resources or wasted capital. Administrative departments may also be reviewed during the operational audit process. Administrative business processes may increase costs by employing too

many individuals or having an improper workflow. Slow internal business processes can delay critical operations. Auditors often test cost allocation processes during operational audits to determine the strengths and weaknesses of this system.

b. ***Investigative Audit***

An investigative audit is an audit that takes place as a result of an allegation of unusual or suspicious activity on the part of an individual or agency. It is usually focused on specific aspects of the work of the individual or agency.

In an investigative audit, allegations must be investigated and evidence gathered pertaining to complaints, allegations, and tips of suspected fraud. Data must be sorted, analyzed, and compared to support the opinion of with an allegation is substantiated or unsubstantiated.

Some specialization in forensic analytics, which is the analysis of electronic data to reconstruct, detect, or otherwise support a claim of fraud, may be required. The main steps in forensic analytics are (a) data collection, (b) data preparation, (c) data analysis, and (d) reporting. For example, forensic analytics may be used to review an employee's purchasing card activity to assess whether any of the purchases were diverted for personal use. Forensic analytics might be used to review the invoicing activity for a Vendor to identify fictitious vendors.

c. ***Compliance Audit***

Audits limited to meeting the Federal Single Audit requirements are not within the scope of this RFP.

A compliance audit is a comprehensive review of specific activities in order to determine whether performance conforms to predetermined contractual, regulatory, or statutory requirements. It may also include adherence to internal policies and procedures prescribed by the agency. Compliance audits may include examination of the agency's vendors to ensure conformance with contract agreements or an agency's sub-recipients to ensure adherence to grant requirements.

d. ***Information Systems Audits***

Audits limited to an assessment of network vulnerabilities are not within the scope of this RFP." (see GS 143B-1341 in SL 2015-241, requiring agencies to get State CIO approval).

An information systems audit, or information technology audit, is an examination of the management controls within an information technology infrastructure. The evaluation of obtained evidence determines if the information systems are safeguarding assets, maintaining data integrity, and operating effectively to achieve the organization's goals or objectives.

1. General Controls Review - A review of the controls which govern the development, operation, maintenance, and security of application systems in a particular environment. This type of audit might involve reviewing a data center, an operating system, a security software tool, or processes and procedures (such as the procedure for controlling production program changes), etc.

2. Systems and Applications - An audit to verify that systems and applications are appropriate, efficient, and adequately controlled to ensure valid, reliable, timely, and secure input, processing, and output at all levels of a system's activity. This would involve an examination of the controls over the input, processing, and output of system data. Data communications issues, program and data security, system change control, and data quality issues are also considered.

3. System Development - An audit to verify that systems under development meet the objectives of the organization and to ensure that the systems are developed in accordance with generally accepted standards for systems development and State information technology requirements. This involves an evaluation of the development process as well as the product. Consideration is also given to the general controls over a new application, particularly if a new operating environment or technical platform will be used.

4. Client/Server - Telecommunications, Intranets, and Extranets. An audit to verify that telecommunication controls are in place on the client (computer receiving services)Re server, and on the network connecting the clients and servers.

e. ***Data Analytics/Continuous Monitoring***

Data analytics is a process by which insights are extracted from operational, financial, and other forms of electronic data internal or external to the organization. These insights can be historical, real-time, or predictive and can also be risk-focused (e.g., controls effectiveness, fraud, waste, abuse, policy/regulatory noncompliance) or performance-focused. Types of data analytic projects include but are not limited to the following.

1. Descriptive analytics - Examination of data or content, usually manually performed, to answer the question "What happened?" (or What is happening?), characterized by traditional business intelligence (BI) and visualizations such as pie charts, bar charts, line graphs, tables, or generated narratives.

2. Diagnostic analytics - A form of advanced analytics that examines data or content to answer the question, "Why did it happen?" It is characterized by techniques such as drill-down, data discovery, data mining and correlations.

3. Predictive analytics - Describes any approach to data mining with four attributes:
   i. An emphasis on prediction (rather than description, classification or clustering)
   ii. Rapid analysis measured in hours or days (rather than the stereotypical months of traditional data mining)
   iii. An emphasis on the business relevance of the resulting insights (no ivory tower analyses)
   iv. (increasingly) An emphasis on ease of use, thus making the tools accessible to business users.

4. Prescriptive analytics: -A form of advanced analytics which examines data or content to answer the question "What should be done?" or "What can we do to make _____ happen?", and is characterized by techniques such as graph analysis, simulation, complex event processing, neural networks, recommendation engines, heuristics, and machine learning.

f. ***Risk Assessment and Audit Plan Development***

The scope and objective of this assessment is to allocate limited internal audit resources to areas of the organization that are most critical to the success of the organization in reaching its goals. A well-developed risk assessment model will provide an efficient and systematic procedure to: determine the auditable areas of an entity; measure the risk of each unit and identify activities exposed to high risk; rank the units by risk; determine the time necessary to complete audits; distribute available resources in the most efficient manner; and develop an annual and/or long-term audit plans.

g. ***Financial Audit***

Independent financial statement audits to attest to the fairness and accuracy of financial statements are not within the scope of this RFP.

A financial audit includes the verification of the financial statements, or a component of the financial statement, of a legal entity with a view to express an audit opinion. The audit opinion is intended to provide reasonable assurance that the financial statements are presented fairly, in all material respects, and/or give a true and fair view in accordance with the financial reporting framework. The purpose of an audit is to enhance the degree of confidence of intended users in the financial statements.

1. Financial audits exist to add credibility to the implied assertion by an organization's management that its financial statements fairly represent the organization's position and performance to stakeholders. The audit is designed to increase the possibility that a material misstatement is detected by audit procedures. A misstatement is defined as false or missing information, whether caused by fraud (including deliberate misstatement) or error.
2. Other types of financial audits entail various scopes of work, including: (1) obtaining sufficient, appropriate evidence to form an opinion on single financial statements, specified elements, accounts, or items of a financial statement; (2) issuing letters for underwriters and certain other requesting parties; and (3) auditing compliance with applicable compliance requirements relating to one or more government programs.

   This type of audit must be performed in accordance with generally accepted auditing standards and requires verification and substantiation procedures. These procedures may include direct correspondence with creditors or debtors to verify details of amounts owed, physical inspection of inventories or investment securities, inspection of minutes and contracts, and other similar steps. The audit requires gaining an understanding of the entity's system of internal controls.

h. ***Accounting, & Financial Services***
These services include but are not limited to operational accounting, assisting full time agency finance staff with month end financial closings, annual preparation and support of the Annual Comprehensive Financial Report (ACFR), trial balance preparation, Governmental Accounting Standards Board (GASB) implementation efforts, general ledger accounting transactions, cash management and related operational accounting functions.

i. ***Managerial Advisory Services***
These services include, but are not limited to, organizational efficiencies, cost reductions, budget and revenue forecasting, economic forecasting, research, analysis of unmet demand for public services, strategic planning, project implementation, and front line public customer facing improvements to further a public agency's statutory mandates and directives.

5.3 VENDOR RESPONSIBILITIES

Soliciting Agencies shall complete a Statement of Work form (Exhibit 3 attached) and submit the form to at least one (1) qualified vendors in the requested category. The process is as follows:

1. The Soliciting Agency identifies their service needs and prepares a SOW that describes the requirements for audit, accounting, data analytic and managerial advisory services, including location and travel.
2. The Soliciting Agency will work with their agency's procurement office to develop and issue the SOW to the qualified vendors identified in the Statewide Term Contract under the desired category. Requests shall be submitted via email giving the vendors a minimum of ten (10) days to respond. If all requests are received prior to the minimum period, award of SOW may proceed.
3. The vendors, if they choose to respond, will prepare a response to the solicitation document and submit the response to the Soliciting Agency in the format structure required by the agency, as described in the SOW document. A vendor is not required to respond to all SOWs.
4. After evaluating the vendors' responses, the Soliciting Agency then prepares the award recommendation and makes the award. The Soliciting Agency must clearly document its internal business selection process. The documentation must include a written description of the selection process that describes how the vendor was selected, the number of alternative vendors considered, or the specific business reasons or criteria as to why the vendor was selected.
5. The Soliciting Agency will issue the SOW award and notify the awarded vendor. The Soliciting Agency must encumber the funds in accordance with its agency's policies and procedures. The using agency will manage all public record requests involved in the procurement process in accordance with this contract and the agency's retention policy.

5.4 PROJECT STAFFING

In its proposal the Vendor shall provide information as to the qualifications and experience of audit, accounting, data analytics and managerial advisory personnel to be assigned to each of the service categories for which the Vendor submits a proposal. Personnel qualifications should include resumes citing educational background, experience with similar services and related certification, as well as the number of years of experience with each type of service, as identified in the Section 5 Scope of Works, Service Categories. Project Staffing should align with the intended staff categories identified in Section 4.9 of this RFP.

5.5 TECHNICAL APPROACH

Vendor's proposal shall include, in narrative, outline, and/or graph form the Vendor's approach to accomplishing the tasks outlined in the Scope of Work section of this RFP. A description of each task and deliverable and the schedule for accomplishing each shall be included.

Key Personnel qualifications – Education/Background, experience

In its proposal response, Vendor must demonstrate how it performs services in accordance with any or all of the following professional standards.

1. Generally Accepted Government Auditing Standards (GAGAS) issued by the United States General Comptroller
2. International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditor's (IIA)
3. ISO Standards issued by the International Organization for Standardization

4. Control Objectives for Information and Related Technology (COBIT) issued by the Information Systems Audit and Control Association
5. Generally Accepted Accounting Principles issued by the Financial Accounting Standards Boards.

6.0 CONTRACT ADMINISTRATION

All Contract Administration requirements are conditioned on an award resulting from this solicitation. This information is provided for the Vendor's planning purposes.

State Contract Administrator: Melinda Tomlinson (Melinda.tomlinson@doa.nc.gov)

State Contract Manager: Kayla Glenn, (Kayla.glenn@doa.nc.gov)

Note: In the event the State's Contract Administrator or Contract Manager changes, notification will be sent to the Vendor's Contract Manager and the Contract Synopsis on the DOA P&C website will be updated.

6.1 CONTRACT MANAGER AND CUSTOMER SERVICE

The Vendor shall be required to designate and make available to the State a contract manager. The contract manager shall be the State's point of contact for Contract related issues and issues concerning performance, progress review, scheduling, and service.

Contract Manager Point of Contact	
Name:	Laura Soileau, Partner
Office Phone #:	225 – 408 - 4431
Mobile Phone #:	901 – 326 - 2532
Email:	lsoileau@pncpa.com

The Vendor shall be required to designate and make available to the State for customer service. The customer service point of contact shall be the State's point of contact for customer service-related issues.

Customer Service Point of Contact	
Name:	Laura Soileau, Partner
Office Phone #:	225 – 408 - 4431
Mobile Phone #:	901 – 326 - 2532
Email:	lsoileau@pncpa.com

The assigned individual(s) must be responsible to all agency Statements of Work (SOW). Vendors must respond to a Soliciting Agency's SOW within the time frame stated on the individual SOW in order to be considered.

6.2 POST AWARD PROJECT REVIEW MEETINGS

The Vendor, at the request of the State, shall be required to meet periodically annually with the State for Project Review meetings. The purpose of these meetings will be to review project progress reports, discuss Vendor and State performance, address outstanding issues, review problem resolution, provide direction, evaluate continuous improvement and cost saving ideas, and discuss any other pertinent topics.

6.3 CONTINUOUS IMPROVEMENT

The State encourages the Vendor to identify opportunities to reduce the total cost the State. A continuous improvement effort consists of various ways to enhance business efficiencies as performance progresses.

6.4 ANNUAL MANAGEMENT REPORTS

The Vendor shall be required to provide annual Sales Management Reports, in the format of an Excel spreadsheet, to the designated Contract Manager. Additional Ad Hoc reports will be required as requested. The Annual Sales Management Report shall include, at a minimum: ***Sales Report (total cost) by state entity, to include agencies, community colleges, universities, school systems, local government entities. Sales Report (Detail) to include: Category, Item Description, Quantity, Unit of Measure, Contract Price, Ordering Entity, Order Date, and Delivery Date for finalized accepted audit***. Annual Management Reports shall be sent to PCReports@doa.nc.gov with the Contract Manager copied at the following e-mail address kayla.glenn@doa.nc.gov. Vendor shall include all issues identified by Vendor related to Vendor performance or to the State's usage of the Contract. Vendor shall submit the Annual Sales Management Reports by the 15th of the month following the end of the year. The Annual Management Report delivery schedule is included below:

By September 15, 2024: Year 1 Annual Management Report for September 1, 2023 – August 31, 2024

By September 15, 2025: Year 2 Annual Management Report for September 1, 2024 – August 31, 2025

By September 15, 2026: Year 3 Annual Management Report for September 1, 2025 – August 31, 2026

By September 15, 2027: Year 4 Annual Management Report for September 1, 2026 – August 31, 2027

By September 15, 2028: Year 5 Annual Management Report for September 1, 2027 – August 31, 2028

This schedule aligns with the State's fiscal year. If the Contract start date does not align with the start of a quarter, the initial Quarterly Management Report shall be for the period from the Contract start date to the end of the existing calendar quarter. Timely submission of all reports shall be a material term of this Contract and failure to do so shall constitute a default.

Additional related sales information and/or details on user purchases may be required by the State and must be supplied within thirty (30) days of any such request. A template for any such reports may be provided by the State, at its discretion.

Within thirty (30) business days of the award of the Contract the Vendor shall submit a sample report to the designated Contract Manager for approval.

6.5 BUSINESS REVIEW MEETINGS

Business Review meetings shall be scheduled on an annual basis (or as requested) and shall be presented by the Vendor and be inclusive of the following:

1. Spend Overview (State Agency Spend) FY Comparison
2. Challenges
3. Improvement Ideas
4. Tier 2 HUB Efforts and Spend

6. 6 DISPUTE RESOLUTION

During the performance of the Contract, the parties agree that it is in their mutual interest to resolve disputes informally. Any claims by the Vendor shall be submitted in writing to the State's Contract Manager for resolution. Any claims by the State shall be submitted in writing to the Vendor's Project Manager for resolution. The Parties shall agree to negotiate in good faith and use all reasonable efforts to resolve such dispute(s).

During the time the Parties are attempting to resolve any dispute, each shall proceed diligently to perform their respective duties and responsibilities under this Contract. The Parties will agree on a reasonable amount of time to resolve a dispute. If a dispute cannot be resolved between the Parties within the agreed upon period, either Party may elect to exercise any other remedies available under the Contract, or at law. This provision, when agreed in the Contract, shall not constitute an agreement by either party to mediate or arbitrate any dispute.

6.7 ELECTRONIC CATALOG

Ordering Instructions Solution
The State will allow for 'Ordering Instructions'. Vendor will be required to provide the sales representative's contact information at the time of award. If selected for contract award, the State will work with awarded vendors and the E-Procurement team to create catalogs that meet the requirements for ordering instructions depending on the complexity of the awarded contract and the number of items available.

6.8 CONTRACT CHANGES

Contract changes, if any, over the life of the Contract shall be implemented by contract amendments agreed to in writing by the State and Vendor. Amendments to the contract can only be through the contract administrator.

6.9 ATTACHMENTS

All attachments to this RFP are the copies found within the Ariba Sourcing Tool, and are incorporated herein, and shall be submitted by responding in the Sourcing Tool.

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EXHIBIT 1: STATE AGENCY AND UNIVERSITY LOCATIONS

- Administrative Office of the Courts, Cary and Clerks of Court in 100 counties
- Commissioner of Banks, Raleigh
- Community College System Office, Raleigh and 58 Community Colleges throughout North Carolina
- Department of Administration, Raleigh and several offices throughout North Carolina
- Department of Adult Corrections, Raleigh
- Department of Commerce, Raleigh and other locations
- Department of Natural and Cultural Resources, Raleigh and seven museums and twenty-seven historical sites throughout North Carolina
- Department of Environmental Quality, Raleigh and seven regional offices across North Carolina
- Department of Health and Human Services, Raleigh and facilities throughout North Carolina
- Department of Information Technology
- Department of Insurance, Raleigh
- Department of Justice, Raleigh
- Department of Labor, Raleigh
- Department of Military and Veteran Affairs
- Department of Public Instruction, Raleigh and public schools across North Carolina
- Department of Public Safety, Raleigh and presence in every county
- Department of Revenue, Raleigh and eleven service centers across North Carolina
- Department of the Secretary of State, Raleigh
- Department of State Treasurer, Raleigh
- Department of Transportation, Raleigh and 14 division offices across North Carolina
- North Carolina Education Lottery, Raleigh
- North Carolina Housing Finance, Raleigh
- North Carolina Industrial Commission, Raleigh
- Office of the Governor, Raleigh
- Office of the State Auditor, Raleigh and four regional offices across North Carolina
- Office of the State Controller, Raleigh
- Office of State Budget and Management, Raleigh
- Office of State Human Resources, Raleigh
- Wildlife Resource Commission, Raleigh, and four educational centers across North Carolina

UNIVERSITY OF NORTH CAROLINA

- University of North Carolina – System Office, Raleigh

Campuses

- Appalachian State University, Boone
- East Carolina University, Greenville
- Elizabeth City State University, Elizabeth City
- Fayetteville State University, Fayetteville
- North Carolina Agricultural and Technical State University, Greensboro
- North Carolina Central University, Durham
- North Carolina State University, Raleigh
- University of North Carolina – Asheville, Asheville
- University of North Carolina – Chapel Hill, Chapel Hill
- University of North Carolina – Charlotte, Charlotte
- University of North Carolina – Greensboro, Greensboro
- University of North Carolina – Pembroke, Pembroke
- University of North Carolina – Wilmington, Wilmington
- University of North Carolina – School of the Arts, Winston-Salem
- Western Carolina University, Cullowhee
- Winston-Salem State University, Winston-Salem
- NC School of Science and Mathematics, Durham
- North Carolina State University and North Carolina Agricultural and Technical State University's Cooperative Extension Centers, in one hundred counties and the Eastern Band of Cherokee Indians

EXHIBIT 2: EXAMPLE OF AUDITOR'S PROFESSIONAL QUALIFICATIONS

Service Category	Example of Base Rate Qualifications	Example of Upper Rate Qualifications
Operational/ Performance Audit	• Four-year degree in accounting, business administration, or finance • Three years operational/ performance audit experience • General understanding of IIA and GAO Standards	• Four-year degree in accounting, business administration • An accounting or business related Master's degree • Over ten years operational/performance audit experience • Certified Internal Auditor, Certified Government Auditing Professional or Certified Public Accountant • Expert understanding of IIA and GAO Standards
Investigative Audit	• Four-year degree in accounting, business administration, or finance • Three years investigative audit experience • General understanding of IIA and GAO Standards	• Four-year degree in accounting, business administration • An accounting or business related Master's degree • Over ten years investigative audit experience • Certified Fraud Examiner, Certified Public Accountant or Certified Internal Auditor • Expert understanding of IIA and GAO Standards
Compliance Audit	• Four-year degree in accounting, business administration, or finance • Three years compliance audit experience • General understanding of IIA and GAO Standards	• Four-year degree in accounting, business administration • An accounting or business related Master's degree • Over ten years compliance audit experience • Certified Public Accountant, Certified Internal Auditor, Certified Fraud Examiner or Certified Internal Control Auditor • Expert understanding of IIA and GAO Standards
Information Systems Audit	• Four-year degree in accounting, business administration, information technology • Three years information system audit experience • General understanding of COBIT, IIA and GAO Standards	• Four-year degree in accounting, business administration, information technology • An information technology related Master degree • Over ten years information system audit experience • Certified Information Systems Auditor or Certified Information Security Manager • Expert understanding of COBIT, IIA and GAO Standards
Data Analytics Services	• Four-year degree in data analytics, data science, statistics, computer science or related degree. • Two years data analytics experience. • General understanding of statistics and statistical coding language or statistical programs.	• Four-year degree in degree in data analytics, data science statistics, computer science or related degree. • A data analytic, data science or related Master's degree • Over ten years data analytic experience • Expert understanding of statistics and statistical coding language or statistical programs. • Certifications related to data analytic
Construction Audit	• Four-year degree in accounting, business administration, or finance • Three years construction audit experience • General understanding of IIA and GAO Standards	• Four-year degree in accounting, business administration • An accounting or business related Master's degree • Over ten years construction audit experience • Certified Public Accountant or Certified Internal Auditor • Expert understanding of IIA and GAO Standards

Risk Assessment and Audit Plan Development	• Four-year degree in accounting, business administration, finance or risk management • Three years risk assessment/audit planning experience • General understanding of IIA Standards	• Four-year degree in accounting, business administration, finance or risk management • An accounting, business or risk management related Master's degree • Over ten years risk assessment experience • Certified Public Accountant or Certified Internal Auditor; Certified Risk Management Assurance Auditor • Expert understanding of IIA Standards
Financial Audit	• Four-year degree in accounting, business administration, or finance • Three years financial audit experience • General understanding of IIA and GAO Standards	• Four-year degree in accounting, business administration • An accounting or business related Master's degree • Over ten years financial audit experience. • Certified Public Accountant, or Certified Internal Auditor • Expert understanding of IIA and GAO Standards
Accounting Services	• Four-year degree in accounting, business administration, or finance • Three years operational accounting, fund accounting and related experience • General understanding of GAAP, GASB or other related professional standards	• Four-year degree in accounting, business administration • An accounting, business, law or other related master's degree • Over ten years operational, accounting, or financial services experience • Certified Internal Auditor, Certified Government Auditing Professional or Certified Public Accountant • Expert understanding of GAAP, GASB, IIA and GAO Standards
Managerial Advisory Services	• Four-year degree in accounting, business administration, economics, mathematics, law or other related fields • Three years operations improvement, cost reduction, strategy planning, project implementation, research or forecasting • General understanding of IIA, or other related standards	• Four-year degree in accounting, business administration, economics, or mathematics, law or other related fields • A business, economic accounting, mathematics or other professional master's degree. • Over ten years operations improvement, cost reduction, strategy planning, project implementation, research or forecasting • Certified Internal Auditor, Certified Risk Management assurance auditor, Certified Public Accountant Chartered Financial Analyst, Project Management Professional • Expert understanding of IIA, or other related standards

EXHIBIT 3: EXAMPLE OF STATEMENT OF WORK

NOTE: Items highlighted in yellow are for agency completion, remove highlighting and ( ) on issued documents.

STATE OF NORTH CAROLINA

REQUEST FOR QUOTES

SCOPE STATEMENT NUMBER – STC#8411A

Enter Agency Name, Request #Enter Agency Contract Number

TITLE:	Short Term Internal Audit, accounting, data analytic and managerial advisory Services Contract Number RFP# DPC-646236801-MT
ISSUE DATE:	(Date of Agency Issue)
NAME:	Scope Statement Number STC#8411A Agency Name # enter agency contract number **(Agency Add Audit Assurance, Accounting data analytic and Advisory Services Required)**
DUE DATE:	(Date of Opening)
USING AGENCY:	Agency Name
ISSUING AGENCY:	Agency Name Individual Name Individual Phone # Individual email address Agency Street address City, NC zip code

NOTICE TO OFFERORS

Emailed offers, subject to the conditions made a part hereof, will be received at Individual email address **until 2:00 PM on Enter Date, for** delivering of the audit service as described herein.

Offers are subject to rejection unless submitted on this form.

EXECUTION

In compliance with this Scope Statement, and subject to all the conditions herein, the undersigned Vendor offers and agrees to furnish and deliver any or all items upon which prices are bid, at the prices set opposite each item within the time specified herein. By executing this Scope Statement, the undersigned Vendor certifies that this proposal is submitted competitively and without collusion (G.S. 143-54), that none of its officers, directors, or owners of an unincorporated business entity has been convicted of any violations of Chapter 78A of the General Statutes, the Securities Act of 1933, or the Securities Exchange Act of 1934 (G.S. 143-59.2), and that it is not an ineligible Vendor as set forth in G.S. 143-59.1. False certification is a Class I felony. Furthermore, by executing this proposal, the undersigned certifies to the best of Vendor's knowledge and belief, that it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal or State department or agency. As required by G.S. 143-48.5, the undersigned Vendor certifies that it, and each of its sub-Contractors for any Contract awarded as a result of this Scope Statement, complies with the requirements of Article 2 of Chapter 64 of the NC General Statutes. G.S. 133-32 and Executive Order 24 (2009) prohibit the offer to, or acceptance by, any State Employee associated with the preparing plans, specifications, estimates for public Contract; or awarding or administering public Contracts; or inspecting or supervising delivery of the public Contract of any gift from anyone with a Contract with the State, or from any person seeking to do business with the State. By execution of this response to the Scope Statement, the undersigned certifies, for Vendor's entire organization and its employees or agents, that Vendor is not aware that any such gift has been offered, accepted, or promised by any employees or agents of Vendor's organization.

Failure to execute/sign offer prior to submittal shall render the Scope Statement invalid.

VENDOR:			
STREET ADDRESS:		P.O. BOX:	ZIP:
CITY & STATE & ZIP:		TELEPHONE NUMBER:	TOLL FREE TEL. NO (800)
PRINT NAME & TITLE OF PERSON SIGNING:		FAX NUMBER:	
AUTHORIZED SIGNATURE:	DATE:	E-MAIL:	

Offer valid for ninety (90) days from insert date.

ACCEPTANCE OF SCOPE STATEMENT

If any or all parts of this Scope Statement are accepted by the State of North Carolina, an authorized representative of the Agency name shall affix their signature hereto and this document, special terms and conditions specific to this Scope Statement, the specifications, and in accordance with contract DPC-646236801-MT awarded Month XX, 202X. A copy of this acceptance will be forwarded to the successful Vendor(s).

FOR STATE USE ONLY

Offer accepted and contract awarded this ____ day of _____, 20_____, as indicated on attached certification,

by _____

(Authorized representative of the Office of State Human Resources)

SUBMISSION INSTRUCTIONS:

Emailed offers to **Individual email address** by **2:00 PM on (insert date).**

LATE SUBMISSIONS: Regardless of cause, late submissions will not be accepted and will automatically be disqualified from further consideration. It shall be the Vendor's sole risk to ensure delivery to ***Individual email address*** by the designated time.

BASIS FOR REJECTION: Pursuant to ***01 NCAC 05B .0501***, the State reserves the right to reject any and all offers, in whole or in part; by deeming the offer unsatisfactory as to quality or quantity, delivery, price or service offered; non-compliance with the requirements or intent of this solicitation; lack of competitiveness; error(s) in specifications or indications that revision would be advantageous to the State; cancellation or other changes in the intended project, or other determination that the proposed requirement is no longer needed; limitation or lack of available funds; circumstances that prevent determination of the lowest responsible or most advantageous offer; or any other determination that rejection would be in the best interest of the State.

TRAVEL: Per Statewide Term Contact 8114A, the state will not pay travel costs to and from the designated workplace for Vendor's personnel. In the event that Vendor personnel are required by the state to travel away from the regularly assigned work location to perform related tasks, the state will, upon preapproval, reimburse the Vendor in accordance with the North Carolina state travel guidelines in Chapter 5 of the North Carolina Budget Manual, which can be found at: https://www.osbm.nc.gov/state-budget-manual.

SECTION 1: SCOPE STATEMENT SCHEDULE

Scope Statement Questions

Due Date:	XX/XX/20XX
Time:	2:00 p.m. Eastern Time
Address:	**Individual email address**
Instructions:	Written questions will be received at **Individual email address** until date and time specified above. Please enter "Questions, Scope Statement # Agency contact number" as the subject for the email. Vendor will reference the scope statement section when submitting questions. Only written answers to submitted questions will constitute an official answer. The State will prepare responses to all written questions submitted as an addendum and shall provide via email to all Vendors on the eligibility list. Oral answers are not binding on the State. Vendor contact regarding this Scope Statement with anyone other than Agency contact person name may be grounds for rejection of said Vendor's offer. Agency contact regarding this Scope Statement with any Vendor may be grounds for cancellation of this Scope Statement.

Scope Statement Submittal

Due Date:	XX/XX/20XX
Time:	2:00 p.m. Eastern Time
Email Address:	**Individual email address**
Instructions:	The Vendor, by making an offer, expressly represents that the specifications herein have been read and understood, and that the offer complies with all aspects. Any change that is received after the due date and time, and that is not specifically solicited by the State, shall be rejected. Firm Offer: Prices and any other entry made hereon by the Vendor shall be considered firm and not subject to change.

SECTION 2: PURPOSE AND BACKGROUND

[Give brief description of the purpose/ objective of the contract and requested services and describe how the services fit into the using agency's function or new initiatives that necessitate these services, issues needing to be resolved, other solutions tried in the past, etc. This section should allow potential Vendors to judge whether they are interested in this RFP.

Further describe the services required using narrative or outline as appropriate. Include, as appropriate, high-level information on tasks, schedule, deliverables, milestones, environmental or regulatory constraints, state interfaces, etc.].

SECTION 3: CONTRACT TERM

The contract shall have a term of Enter the months, years, etc., or until completion and acceptance by the State of all scope of work requirement, beginning on the date of contract award (the "Effective Date") [this may be added but in no event not longer than enter the months, years, if applicable. Or you can add renewal option is needed].

SECTION 4: POSSESSION AND REVIEW

During the evaluation period and prior to award, possession of the Scope Statements and accompanying information is limited to personnel of the issuing agency, and to the committee responsible for participating in the evaluation. Vendors who attempt to gain this privileged information, or to influence the evaluation process (i.e., assist in evaluation) will be in violation of purchasing rules and their offer will not be further evaluated or considered.

After award, the complete Scope Statement file will be available to any interested persons with the exception of trade secrets, test information or similar proprietary information as provided by statute and rule. Any proprietary or confidential information, which conforms to NC General Statue, 132-1.2 **must be clearly marked as such in the offer when submitted.**

SECTION 5: METHOD OF AWARD

Contract will be awarded based on best value **(this statement should be deleted when developing your quote: agency may change this if desired, but it is recommended to use best value since this is a quote for services).** Prospective Vendors shall not be discriminated against on the basis of any prohibited grounds as defined by Federal and State law.

Offers will be evaluated, and award made, based on the below factors listed in descending order of importance:

(This statement should be deleted when developing your quote: agency may change the evaluation criteria listed below if desired)

- Methodology for Completion of Work
- Auditor Qualifications and Experience
- Cost

While the intent of this Scope Statement is to award a Contract(s) to a single Vendor, the State reserves the right to make separate awards to different Vendors, to not award one or more-line items or to cancel this Scope Statement in its entirety without awarding a Contract, if it is considered to be most advantageous to the State to do so.

The status of a Vendor's e-Procurement Services account(s) shall be considered a relevant factor in determining whether to approve the award of a contract under this Scope Statement. Any Vendor with an E-Procurement Services account that is in arrears by 91 days or more at the time of proposal opening may, at the State's discretion, be disqualified from further evaluation or consideration.

The State reserves the right to waive any minor informality or technicality in proposals received.

SECTION 6: SCOPE STATEMENT EVALUATION PROCESS

All qualified proposals will be evaluated, and award will be made to the Vendor(s) determined by Agency name sole discretion to be the best value.

At their option, the evaluators may request oral presentations or discussion with any or all Vendors for the purpose of clarification or to amplify the materials presented in any part of the proposal. Vendors are cautioned, however, that the evaluators are not required to request presentations or other clarification—and often do not; therefore, all Scope Statement responses should be complete and reflect the most favorable terms available from the Vendor.

Vendors are cautioned that this is a request for offers, not an offer or request to contract, and the State reserves the unqualified right to reject any and all offers at any time if such rejection is deemed to be in the best interest of the State.

The State reserves the right to reject all original offers and request one or more of the Vendors submitting proposals to submit a best and final offer (BAFO), based on discussions and negotiations with the State, if the State determines in its sole discretion this is in their best interest.

SECTION 7: TECHNICAL SPECIFICATIONS

a. Outsourcing an entire audit project: Yes __ No ____

b. Service Category: Enter appropriate category as identify in STC #8411A

c. Location of Work: Enter address or define if some of the work can be performed remotely.

d. Invoicing:
Invoices will be submitted no more then monthly and must included the individual's name, job title, hourly rate, number of hours worked and total amount per person. The Vendor may submit an invoice the combines all hours by title (see section 11) but **must** provide other documents that support the combine hours, and this document

must have the individual's name, associated hours and title as identify in Section 11. Agency name will withhold 10% of the contract to be paid upon final completions and acceptance of Vendors work.

e. Scope of Work:
Define the work to be performed and any deliverables required, be specific and provide enough information to allow the Vendors to fully understand the services you are needing.

SECTION 8: VENDOR CONTRACT ADMINISTRATORS

The Contract Administrators are the persons to whom all required notices shall be given and to whom all matters relating to the administration or interpretation of this Scope Statement shall be addressed. The Vendor shall designate a Primary Contract Administrator, who shall be the Vendor's primary contact with the Agency for all issues regarding this Contract and an Alternate Contract Administrator.

a. Vendor Primary Contract*:*
   i. Name and Title:
   ii. Telephone Number, office:
   iii. Address:
   iv. Email Address:
b. Vendor Secondary Contract Alternate Contact:
   i. Name and Title:
   ii. Telephone Number, office:
   iii. Address:
   iv. Email Address:
   v.

SECTION 9: METHODOLOGY FOR COMPLETION OF WORK

The Vendor should describe the approach and how the Vendor will accomplish the scope of work detailed above in Section 7.e. The vendor can use graphs or narratives to describe their approach and should include proposed timeline, milestones, or delivery dates for completion of services.

SECTION 10: AUDITOR, ACCOUNTING, DATA ANALYTIC AND MANAGERIAL ADVISORY QUALIFICATIONS AND EXPERIENCE

Vendor shall provide the names and qualifications of all personnel being submitted to meet the requirements of this Scope Statement, including their roles during the audit engagement. Resumes may be provided to meet this requirement. Any staff changes must be approved by the soliciting agency.

Demonstrate your experience with at least three (3) public and/or private sector clients, providing similar service as requested in this solicitation. The narrative must thoroughly describe the expertise and audit, accounting and managerial advisory services provided and the outcome identify to resolve the client need.

Provide the name, address, phone number and email address of three (3) prior clients that may be contacted.

SECTION 11: COST (AND PROJECT HOURS)

Vendor must complete the information below. Failure to provide will result in rejection of Scope Statement.

Vendor shall offer a firm fixed price, all inclusive of labor, materials, general and administrative overhead, and profit. The total amount to be paid by Agency name under this Contract shall not exceed the amount as stated in the table below. The State does not guarantee a minimum or maximum number of hours.

(enter type of service)				
Position	**Hourly Rate**	**Number of Staff** (full time equivalent)	**Number of Hours**	**Total ($) Amount** (Rate x Staff x Hours)
Staff	$			
Supervisor	$			
Executive	$			
			TOTAL Estimated Not-to-Exceed	**$**

For multiple type of services, copy the table above for each type of service category with the scope of work.

C. Signed Addenda

SOLICITATION ADDENDUM

Issuing Agency:	Division of Purchase and Contract
Solicitation Number:	DPC-646236801-MT
Solicitation Description:	Supplemental Internal Audit Services
Solicitation Opening Date and Time:	August 29, 2023 @2:00 PM
Addendum Number:	01
Addendum Date:	August 1, 2023
Purchasing Agent:	Melinda Tomlinson

The RFP schedule is hereby modified as follows:

2.4 RFP SCHEDULE (REVISED)

The table below shows the *intended* schedule for this RFP. The State will make every effort to adhere to this schedule.

Event	Responsibility	Date and Time
Issue RFP	State	July 14, 2023
Urged & Cautioned Pre-Proposal Conference	State	July 27, 2023 @ 2:00 PM EST
Submit Written Questions	Vendor	August 9, 2023 @ 5:00 PM EST
Provide Response to Questions	State	August 16, 2023
Submit Proposals	Vendor	August 29, 2023 @ 2:00 PM EST **Microsoft Teams meeting** **Join on your computer, mobile app or room device** Click here to join the meeting Meeting ID: 258 653 933 303 Passcode: 5booFX **Join with a video conferencing device** ncgov@m.webex.com Video Conference ID: 117 730 666 7 Alternate VTC instructions **Or call in (audio only)** +1 984-204-1487,,184281593# United States, Raleigh Phone Conference ID: 184 281 593#
Contract Award	State	TBD
Contract Effective Date	State	TBD

For assistance with the Ariba Sourcing or NC eVP, please contact the NC E-Procurement Helpdesk:

Call: 888-211-7440 (select option 2)

Email: vendor@nc.gov

Laura Soileau

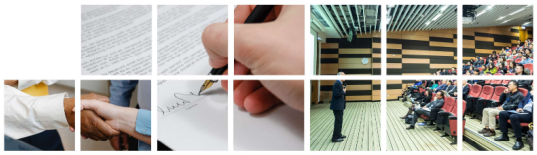
NC•DOA
Department of Administration
Purchase & Contract

State of North Carolina
Supplemental Internal Audit Services
DPC-646236801-MT

Pre-Bid Conference

Date: July 27, 2023

Procurement Lead: Melinda Tomlinson



1

Overview of Procurement

- Establish a new mandatory Statewide Term Contract to provide for the State's need for pre-qualified Vendors for *Supplemental Internal Audit, Assurance, Accounting, Data Analytics, and Managerial Advisory Services*
- Services will be provided through issued Statements of Work to be further completed to awarded vendors on an as-needed basis.
- The contract will be used by State Departments, Agencies, Higher Education Entities, and Other Eligible Entities during the contract period

NC•DOA

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RFP Schedule

Event	Responsibility	Date and Time
Issue RFP	State	July 14, 2023
Urged & Cautioned Pre-Proposal Conference	State	July 27, 2023 @ 2:00 PM EST
Submit Written Questions	Vendor	August 2, 2023 @ 5:00 PM EST
Provide Response to Questions	State	August 8, 2023 *(subject to change)*
Bid Due/Bid Opening Date (MS Teams)	Vendor	August 22, 2023 @ 2:00 PM EST *(subject to change)*
Contract Award	State	TBD
Contract Effective Date	State	TBD

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Solicitation Highlights

Bid Validity	• 120 days from the bid opening date
Alternate Bids	• Must be complete and independent of other proposals offered with pricing and attachments included
Service Categories:	• Operational/ Performance Audits • Investigative Audits • Compliance Audits • Informational Systems Audits • Data Analytics/Continuous Monitoring • Risk Assessment and Audit Plan Development • Financial Audits • Accounting and Financial Services • Managerial Advisory Services

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Proposal Submission Highlights

- Section 4.4 Vendor Experience
- Section 4.5 References
- Section 4.6 Legal Right to Practice in NC
- Section 4.7 External Reviews & Regulatory Action
- Section 4.8 Financial Statement
- Section 4.9 (Attachment A) Cost Proposal
- Section 5.4 Project Staffing
- Section 5.5 Technical Approach
- Section 6.1 Contract Manager & Customer Service

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Submission Requirements: Pricing Form(Attachment A)

ATTACHMENT A: PRICING FORM

Cost Schedule

Vendor shall provide its best **hourly rates** in the form of base rate and upper rate for an auditor, audit supervisor and audit executive in the appropriate columns provided below or a duplicate of this form. For staff, supervisor, and executive descriptions, see Section 4.9 of the RFP.

This table captures audit staff compensation rates only and does not include travel or related business expenses. All travel and business expenses, if any, will be subject to North Carolina state travel guidelines and requirements and are required to be presented as part of the issuance of a specific SOW, after approved Vendors have been selected. Chapter 5 of the North Carolina Budget Manual provides primary guidance on state travel guidelines and restrictions and can be found at:

https://www.osbm.nc.gov/budget/budget-manual

Services Category	Staff Base Rate	Staff Upper Rate	Supervisor	Executive
Operational/Performance Audit				
Investigative Audit				

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Submission Requirements: Vendor Responsibilities

- Review the entire RFP, including attachments
- Complete & Sign the RFP
- Submit the completed proposal by the proposal due date

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Failure to execute/sign bid prior to submittal may render bid invalid and it MAY BE REJECTED. Late bids cannot be accepted.

COMPLETE/FORMAL NAME OF VENDOR:			
STREET ADDRESS:		P.O. BOX:	ZIP:
CITY & STATE & ZIP:		TELEPHONE NUMBER:	TOLL FREE TEL. NO:
PRINCIPAL PLACE OF BUSINESS ADDRESS IF DIFFERENT FROM ABOVE (SEE INSTRUCTIONS TO VENDORS ITEM #21):			
PRINT NAME & TITLE OF PERSON SIGNING ON BEHALF OF VENDOR:		FAX NUMBER:	
VENDOR'S AUTHORIZED SIGNATURE:	**DATE:**	E-MAIL:	

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QUESTIONS?

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FINAL REMINDERS

- Please note that the responses from the state today are not legally binding. To confirm any information, vendors must submit their questions in writing.
- *The official response from the State will be added to the sourcing tool as an addendum.*
- Proposals are due August 22, 2023, @ 2:00 PM EST (*Date is subject to change*)
- Late proposals will not be accepted!!!
- Ensure all attachments are uploaded to the sourcing tool

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RESOURCES

Vendor Training	• www.eprocurement.nc.gov/training/vendor-training
NC eProcurement Helpdesk	• Call: 888-211-7440, select option 2 • Email: vendor@nc.gov
Additional Resources	• https://ncadmin.nc.gov/vendor-forms
Historically Underutilized Business (HUB)	• https://ncadmin.nc.gov/businesses/historically-underutilized-businesses-hub • Call: 984-236-0130 • Email: huboffice.doa@doa.nc.gov

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THANK YOU FOR JOINING US TODAY!!!



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SOLCITATION ADDENDUM

Issuing Agency:	Division of Purchase and Contract
Solicitation Number:	DPC-646236801-MT
Solicitation Description:	Supplemental Internal Audit Services
Solicitation Opening Date and Time:	August 29, 2023 @ 2:00 PM ET
Addendum Number:	02
Addendum Date:	August 17, 2023
Purchasing Agent:	Melinda Tomlinson

Due to the volume and complexity of questions received, the State requires additional time to provide responses. Any updates or modifications will be posted as an addendum in the Sourcing Event.

Laura Soileau

SOLICITATION ADDENDUM

Issuing Agency:	Division of Purchase and Contract
Solicitation Number:	DPC-646236801-MT
Solicitation Description:	Supplemental Internal Audit Services
Solicitation Opening Date and Time:	September 6, 2023 @ 2:00 PM ET
Addendum Number:	03
Addendum Date:	August 22, 2023
Purchasing Agent:	Melinda Tomlinson

FAILURE TO RETURN THIS ADDENDUM MAY SUBJECT YOUR RESPONSE TO REJECTION.

1. **The Solicitation is hereby modified as follows** (begin on page 2)**:**

SOLICITATION NUMBER: DPC-646236801-MT
ADDENDUM NUMBER: 3

Modification #	Solicitation Section	Current Solicitation Language	Updated Solicitation Language
1	2.8 Proposal Contents	Vendors shall provide responses to all questions and complete all attachments for this RFP that require the Vendor to provide information and upload them to the Sourcing Event in the Sourcing Tool. Vendor may not be able to submit its response in the Sourcing Tool unless all required items are addressed. Vendors shall provide authorized signatures where requested. Failure to provide all required items, or Vendor's submission of incomplete items, may result in the State rejecting Vendor's proposal, in the State's sole discretion. Vendor shall include the following items and attachments in the Sourcing Tool: d) Vendor's Proposal addressing all Specifications of this RFP: 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 5.4, 5.5, 6.1 e) Completed version of ATTACHMENT A: COST PROPOSAL f) Completed and signed version of ATTACHMENT D: HUB SUPPLEMENTAL VENDOR INFORMATION g) Completed and signed version of ATTACHMENT E: CUSTOMER REFERENCE FORM h) Completed and signed version of ATTACHMENT F: LOCATION OF WORKERS UTILIZED BY VENDOR i) Completed and signed version of CERTIFICATION FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS and OMB STANDARD FORM LLL	Vendors shall provide responses to all questions and complete all attachments for this RFP that require the Vendor to provide information and upload them to the Sourcing Event in the Sourcing Tool. Vendor may not be able to submit its response in the Sourcing Tool unless all required items are addressed. Vendors shall provide authorized signatures where requested. Failure to provide all required items, or Vendor's submission of incomplete items, may result in the State rejecting Vendor's proposal, in the State's sole discretion. Vendor shall include the following items and attachments in the Sourcing Tool: d) Vendor's Proposal addressing all Specifications of this RFP: 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 5.4, 5.5, 6.1 e) Completed version of ATTACHMENT A: COST PROPOSAL f) Completed and signed version of ATTACHMENT D: HUB SUPPLEMENTAL VENDOR INFORMATION g) Completed and signed version of ATTACHMENT E: CUSTOMER REFERENCE FORM h) Completed and signed version of ATTACHMENT F: LOCATION OF WORKERS UTILIZED BY VENDOR. i) Completed and signed version of ATTACHMENT G: CERTIFICATION OF FINANCIAL CONDITION. j) Completed and signed version of CERTIFICATION FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS and OMB STANDARD FORM LLL
2	Section 4.11 Personnel	In its proposal the Vendor shall provide information as to the qualifications and experience of current audit, accounting, managerial advisors, and data analytics personnel that may be assigned to each of the service categories for which the Vendor submits a proposal. Personnel qualifications may include documentation citing educational background, experience with similar projects and related certification, as well as the number of years of experience with each type of service category, as identified in the Section 5 Scope of Works, Audit Service	Section 4.11 has been removed from the solicitation. It has now been incorporated into the RFQ. See revised Exhibit 3.

<table>
<tr><th>Modification #</th><th>Solicitation Section</th><th>Current Solicitation Language</th><th>Updated Solicitation Language</th></tr>
<tr><td></td><td></td><td>Categories.

Vendor warrants that qualified personnel shall provide Services under this Contract in a professional manner. “Professional manner” means that the personnel performing the Services will possess the skill and competence consistent with the prevailing business standards in the industry. Vendor will serve as the prime contractor under this Contract and shall be responsible for the performance and payment of all subcontractor(s) that may be approved by the State. Names of any third-party Vendors or subcontractors of Vendor may appear for purposes of convenience in Contract documents; and shall not limit Vendor’s obligations hereunder. Vendor will retain executive representation for functional and technical expertise as needed in order to incorporate any work by third party subcontractor(s).</td><td></td></tr>
<tr><td>3</td><td>Section 5.3 Vendor Responsibilities</td><td>Soliciting Agencies shall complete a Statement of Work form (Exhibit 3 attached) and submit the form to at least one (1) qualified vendors in the requested category.</td><td>Soliciting Agencies shall complete a Statement of Work form (Exhibit 3 attached) and submit the form to at least two (2) qualified vendors in the requested category.</td></tr>
<tr><td>4</td><td colspan="3">Section 3.4 Evaluation Criteria - Original RFP Evaluation Criteria
<table>
<tr><th>Evaluation Criteria</th><th>RFP Section</th><th>Points</th></tr>
<tr><td>Vendor’s Relevant Background and Experience</td><td>4.4, 4.5</td><td>300</td></tr>
<tr><td>Financial Statements</td><td>4.8</td><td>200</td></tr>
<tr><td>Personnel</td><td>4.11</td><td>350</td></tr>
<tr><td>Cost Proposal</td><td>4.9, Attachment A</td><td>150</td></tr>
<tr><td>TOTAL</td><td>700 required for the award</td><td>1000</td></tr>
<tr><td>NC License to Practice</td><td>4.6</td><td>Pass/Fail</td></tr>
<tr><td>External Review/Regulatory Action</td><td>4.7</td><td>Pass/Fail</td></tr>
</table>
Modified RFP Evaluation Criteria
<table>
<tr><th>Evaluation Criteria</th><th>RFP Section</th><th>Points</th></tr>
<tr><td>Vendor’s Relevant Background and Experience</td><td>4.4, 4.5</td><td>275</td></tr>
<tr><td>Financial Statements</td><td>4.8</td><td>150</td></tr>
<tr><td>Project Staffing</td><td>5.4</td><td>250</td></tr>
<tr><td>Technical Approach</td><td>5.5</td><td>200</td></tr>
<tr><td>Cost Proposal</td><td>4.9, Attachment A</td><td>125</td></tr>
<tr><td>TOTAL</td><td>700 required for award</td><td>1000</td></tr>
<tr><td>NC License to Practice</td><td>4.6</td><td>Pass/Fail</td></tr>
<tr><td>External Review/Regulatory Action</td><td>4.7</td><td>Pass/Fail</td></tr>
</table></td></tr>
<tr><td>5</td><td>Attachment A: Cost Proposal</td><td>See Current Attachment A</td><td>See Updated Attachment A – to provide for optional additional labor categories.</td></tr>
</table>

Modification #	Solicitation Section	Current Solicitation Language	Updated Solicitation Language
6	**Section 5.1 General**	Audits, accounting, data analytics or managerial services are performed to either ascertain the validity and reliability of information; to provide an assessment of a system's internal controls or operations; to recommend improvements in efficiency and effectiveness of operations; adherence to laws and regulations, fill an unmet staffing needs, or provide forecasting. Any agency may identify a need for internal audit assurance, accounting, data analytics or managerial advisory service short term staff through the issuance of a Scope of Work (SOW). The hiring agency's staffing needs may vary in terms of resources required, dates of service and length of assignment.	Audits, accounting, data analytics or managerial services are performed to either ascertain the validity and reliability of information; to provide an assessment of a system's internal controls or operations; to recommend improvements in efficiency and effectiveness of operations; adherence to laws and regulations, or provide forecasting. Any agency may identify a need for internal audit assurance, accounting, data analytics or through the issuance of a Scope of Work (SOW).

2. The following are questions received about the Solicitation and the State's response to those questions:

Question #	Document Section	Vendor Question	State's Response
1.	Att. B	Is Attachment B: North Carolina Instructions to Vendors considered part of the body of RFP and required to be returned with response?	Attachment B: North Carolina Instructions to Vendors should be read in its entirety; however, it is not required to return it with your vendor response. Refer to section 2.8 Proposal Contents for the items that are required to be included in your vendor response.
2.	Att. C	Is Attachment C: North Carolina General Terms and Conditions considered part of the body of RFP and required to be returned with response?	Attachment C: North Carolina General Terms and Conditions should be read in its entirety; however, it is not required to return it with your vendor response. Refer to section 2.8 Proposal Contents for the items that are required to be included in your vendor response.
3.	Section 2.8 Proposal Contents	RFP p. 11, Section 2.8 Proposal Contents does not list Attachment G: Certification of Financial Condition as required, however, this form is issued in the Ariba Sourcing portal. Should this form be provided as part of the offeror's response to Section 2.8.j.c?	Vendors shall complete the Attachment G: Certification of Financial Condition provided in section 6.5 of the Ariba Sourcing Event. See solicitation modification #1 in previous section of this Addendum 2.

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Question #	Document Section	Vendor Question	State's Response
4.	Section 2.8 Proposal Contents	RFP p. 11, section 2.8 Proposal Contents lists items 2.8.a Title Page, 2.8.c Signed Addenda, 2.8.d Vendor's Proposal, and 2.8.j Response and Documentation. There are not specific line items in the Sourcing Tool portal for vendors to upload these items. Will the State consider adding specific sections in the Sourcing Tool portal for vendors to upload each of these items?	The State has assigned specific sections for vendors to submit the completed RFP attachments. Any additional required documents should be uploaded in section 6.1 labeled "*Return Solicitation Document*" within the Ariba Sourcing Event, unless specified otherwise.
5.	Sections 4.1 Pricing & 4.9 Cost Proposal	RFP Sections 4.1 Pricing and 4.9 Cost Proposal include no guidance on how the State will consider labor rate escalation over the period of performance of the STC. Will the State allow vendors to propose a process for labor rate escalation over the period of performance of the STC as part of their response to RFP Section 4.9?	Please refer to section 6.8 Contract Changes, for information regarding how to make changes over the life of the contract.
6.	Section 4.5 References	RFP p. 13, Section 4.5 References states, "Vendor shall provide a list of at least five (5) contracts for which Vendor has performed services of a similar nature and scope, as identified in Section 5.2, within the last five (5) years." Are vendors to provide at least 5 contracts for each Section 5.2 type of service area that vendors are responding to (e.g., 5 contracts for Section 5.2.a, 5 contracts for Section 5.2.b, 5 contracts for Section 5.2.c, and so on) or provide a total of at least 5 contracts regardless of how many Section 5.2 services vendors are responding to?	Vendors should provide a total of at least five (5) references within the last five (5) years for which Vendor has performed services of a similar nature and scope, as identified in Section 5.2.

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Question #	Document Section	Vendor Question	State's Response
7.	Section 4.7 External Reviews and Regulatory Action	RFP Section 4.7 External Reviews and Regulatory Action outlines a set of mandatory response and disclosure requirements. Subsection 4.7.a appears to specifically apply to vendors responding to the Compliance Audit (RFP Section 5.2.c), Financial Audit (5.2.g) and Accounting & Financial Services (5.2.h) service categories. Further, Subsection 4.7.b seems to clarify that Subsection 4.7.a does not apply to vendors responding to service categories that do not cover services subject to the "American Institute of Certified Public Accountants external review requirements." Could that State confirm that it agrees with this interpretation and that Subsection 4.7.a only applies to vendors responding to service categories 5.2c, 5.2.g, and 5.2.h?	No, the type of services a Vendor responds to has no impact on this requirement. Section 4.7a applies to Vendors that are required by the American Institute of Certified Public Accountant or a State's governing body to have a peer review.
8.	Sections 4.9 Cost Proposal and 5.2 Internal Audit Assurance…	RFP Sections 4.9 and 5.2 as well as Exhibit 2 and Attachment A are inconsistent in their representation of service categories. Can the State confirm that Section 5.2 represents the authoritative list of service categories for vendors to respond to?	Yes, Section 5.2 represents the list of service categories to which Vendors should respond.
9.	Section 4.9 Cost Proposal	RFP p. 17, Section 4.9 Cost Proposal states, "For each service category, the Vendor shall provide the following:". Should this language state, "For each service category that the vendor is proposing for, the Vendor shall provide the following:"?	Vendors should refer to the previous sentence in section 4.9 for clarity, which states, *Vendors may provide rates for one (1) or more service categories but may not necessarily receive approval for all categories submitted*.
10.	Section 4.9 Cost Proposal	RFP Section 4.9 Cost Proposal includes a paragraph allowing for the inclusion of additional labor categories under "d. Other professional staff…". The RFP apparently lists "d." as a subsection under the Data Analytics Services service category. However, the phrasing of the "Other professional staff" definition suggests that this might apply to other service categories as well, not just the Data Analytics Service category. Could that State confirm that vendors can propose additional labor categories, per the "Other professional staff" guidance, across all service categories?	Yes, "Other professional staff" may be applied across all service categories.

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Question #	Document Section	Vendor Question	State's Response
11.	Section 4.11 Personnel	RFP Section 4.11 Personnel appears to represent a proposal requirement. It is also an explicit evaluation factor under RFP Section 3.4. However, it is not included in RFP Section 2.8.d. Can the State confirm that vendors should include a response to RFP Section 4.11 in their respective proposal sections addressing RFP Section 2.8?	Vendors shall provide in their proposal the requirements requested in Section 4.11 Personnel.
12.		RFP Sections 4.11, 5.4, and 5.5 all speak to personnel and staffing requirements, but don't clearly define which personnel the State would consider to be Key Personnel (who would be subject to the substitution rules under 4.11). In our estimation it would be appropriate for vendors to propose a State Term Contract Manager and Service Category Leaders as Key Personnel at this time, but to defer naming all other Key Personnel to the order level. All other personnel highlighted in the proposal response would be W-2 employees of the vendor but would not be explicitly labeled as 'Key Personnel'. Would this be acceptable to the State?	Yes, the State is agreeable to Key Personnel being defined for: 1. Contract Manager 2. Service Category Leaders (as defined in Section 4.9 of RFP. Enough staff qualifications should be provided to support each service category that are included in a Vendor's proposal. Key personnel are individuals that have the responsibility for ensuring milestones, deadlines and/or accomplishment of project objectives are achieved. See Modification Section 1, #2. See updated Exhibit 3 for RFQ Process.
13.	Section 5.5 Technical Approach	RFP Section 5.5 Technical Approach is a required proposal response section under Section 2.8 Proposal Contents, but it is not part of the evaluation criteria under Section 3.4. Since (1) the responses to RFP Sections 4.4, 4.5 (technical capabilities) and 4.11 (Personnel qualifications) should comprehensively cover the vendor's ability to meet potential future order requirements under this Term Contract and since (2) there is no specific task order scope included in this RFP that vendors could respond to with an 'approach', would the State consider removing the first two paragraphs from RFP Section 5.5? Paragraph 1: "Vendor's proposal shall…" (redundant with Sections 4.4 and 4.5); Paragraph 2: "Key Personnel qualifications…" (to be addressed in Section 5.4)	No. **Response to (1)** - See Section 1, Modification #4 for updated Evaluation Criteria. See Section 1, Modification #2 for update to Section 4.11. **Response to (2)** – Sections 5.4 and 5.5 are relative to the Scope of Section 5, in its entirety. Vendors should provide Approach and Project Staffing approach based on the provided Scope of Work in Sections 5.1 – 5.3.
14.	Section 5.5 Technical Approach	For vendors proposing on service categories not commonly subject to the professional standards listed in RFP Section 5.5, would the government accept a brief narrative response outlining why the specific professional standard(a) does not apply to the vendor as a compliant response?	Yes. Vendors should provide a response to Sections 5.4 Project Staffing and 5.5 Technical Approach. for services that are commonly subject to the list of professional standards.

Question #	Document Section	Vendor Question	State's Response
15.	Section 1.3 Contract Term and Section 4.1 Pricing.	Since this new State Convenience Contract for services is for a 5-year period, how many instances will the State allow rates to be increased to match market fluctuations during the term of the contract?	The State is unable to provide a specific number of instances that would allow for rate increases during the contract. Vendors are advised to review section 6.8 Contract Changes to understand the State's policy on contract modifications throughout the duration of the agreement.
16.	RFP Section 2.4 RFP Schedule	*Submit Proposals section. Also referenced on Solicitation Addendum 1 with new due date for submission 8/29/23 at 2 pm.* What is the purpose for this Teams meeting? What information will the State of North Carolina's Division of Purchase and Contract discuss or disclose during the meeting?	The public bid opening is scheduled for August 29, 2023, at 2:00 PM. At the time of the bid opening, vendor's names and pricing that is not subject to negotiation or two-step opening shall be announced. This includes all timely bids received, including those that may later be deemed non-responsive.
17.	4.10 Additional Requirements	4.10(a) Work Papers: Would the State agree to language clarifying that this section is not intended to impact the ownership rights of our existing intellectual property or administrative records, or any intellectual property developed outside of the scope of our services? 4.10(d) Records Retention: Would the State agree to a modification to the records retention requirement to address typical issues associated with information stored electronically and for compliance with applicable professional standards?	This section is intended to impact work papers created within the scope of this agreement. This is not intended to impact the ownership of intellectual property developed outside the scope of the agreement. Administrative records applicable to the completion of audit services are included. The State intends to adhere to the records retention requirement as outlined in the policy set forth by the North Carolina Council of Internal Audition.
18.	Att. C NC General Terms and Conditions	2. Default and Termination: Will the State consider industry standard modifications for the services contemplated such as language disclaiming further responsibility for work product delivered which is designated as incomplete as of the date of termination and that the State's remedy against Vendor for any default shall be the return of any fees paid to Vendor for such nonconforming deliverables or services? Additionally, would the State accept additional language providing that the Vendor may terminate the Agreement upon written notice to the State, if the Vendor determines continued performance would result in a violation of law, regulatory requirements, applicable professional or ethical standards, or Vendor's client acceptance or retention standards?	The State reserves the right to negotiate this term of the contract prior to contract award.

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19.	Att. C NC General Terms and Conditions	13. Access to Persons and Records: Would the State accept language clarifying that these rights are limited solely to our time, billing and reimbursable expense records for services performed under the Agreement?	The State reserves the right to negotiate this term of the contract prior to contract award.
20.	Att. C NC General Terms and Conditions	16. General Indemnity: 16(a): Will the State consider industry standard modification to this provision to limit our obligations to claims brought by third parties that arise from the gross negligence or willful acts or omissions by Vendor during the performance of its services? Additionally, would the State accept the addition of language providing that our total liability, except for our indemnification obligations, be limited to an amount equal to the fees we receive under the Agreement, and exclude indirect, consequential, exemplary or similar such damages?	The State reserves the right to negotiate this term of the contract prior to contract award.
21.	Att. C NC General Terms and Conditions	20. Care of State Data and Property: Paragraph 2, Sentence 2: Will the State consider adding the following language to the beginning of the second sentence in the second paragraph "Subject to the limitations of liability in the Agreement,..."?	The State reserves the right to negotiate this term of the contract prior to contract award.
22.	Att. C NC General Terms and Conditions	28. Federal Funds Provisions: 28(d)(2) and (3): Would the State accept our request to delete the liquidated damages provision, or substantive modifications to address failures to deliver which are outside of the Vendor's reasonable control? 28(i) Access to Records: Please see our Question in *13. Access to Persons and Records*. 28(k) Records Retention: Please see our Question in *20. Care of State Data and Property*.	The State reserves the right to negotiate this term of the contract prior to contract award.
23.	Section 4.3 HUB Participation	Do vendors need to meet 10% utilization of HUBs on this RFP? How does one become certified as WBE and Minority owned in North Carolina?	No. The 10% utilization applies to State agency's goal to spend at least 10% of their total expenditures with certified HUB vendors. For information about becoming a certified HUB vendor, please visit: https://ncadmin.nc.gov/divisions/historically-underutilized-businesses-hub/certifications

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Question #	Document Section	Vendor Question	State's Response
24.	Section 5.5 Technical Approach	Can you provide more clarity and detail on the requirements for Section 5.5 "Technical Approach"? If possible, can you provide an example?	The proposal from the Vendor must describe their plan for completing the tasks specified in the Scope of Work section of this RFP, using narrative, outlines, and/or graphs. The proposal must include details about each task and deliverable, as well as a schedule for completing each one. The State is unable to provide an example.
25.	5.0 Scope of Work (5.2.d)	Historically, how many audits and/or how many hours of the audit plan have been dedicated to Information Systems Audits for the in-scope agencies and campuses?	Last year for agency and universities information system audits completed were just under 20,000 hours. Not captured are 58 community colleges, 115 local education agencies and several regulatory boards that may use the new state term contract.
26.	5.0 Scope of Work (5.2.d)	Are there any information systems audits that are required to be performed annually as a part of compliance/regulatory requirements? a) Are those annual audits performed for all in-scope agency and campus locations? b) Are there pre-defined state audit programs to execute or is the provider responsible for developing the scope and approach for each audit?	Yes. There is only one(1) mandated information system audit requirement which is not within the scope of this RFP as identified in Section 5.2d.
27.	5.0 Scope of Work (5.2.d)	Has the state performed IT-specific risk assessments as part of this initiative? When were those last performed?	No IT-specific risk assessment was performed for this initiative.
28.	5.0 Scope of Work (5.2.d)	Is there a centralized IT department or IT Manager at the State that manages the scope and coordination of the IT audits?	The State has a centralized IT department however, that department has no responsibilities for overseeing or managing information system audits performed at state agencies or universities.
29.	5.0 Scope of Work (5.2.d)	According to the NCOSA website, the Information Systems Audit reports are not public, but what entity (in addition to the entity being audited) receives the results of the Information Systems Audit Reports? a) Will the vendor present at NCOSA Board/Audit Committee meetings? Or prepare materials for such meetings?	There is no NCOSA Board or Audit Committee. NCOSA has no responsibility for the governance of work performed under this state term contract. The soliciting agency is responsible for receiving and disseminating the results of any work completed by a Vendor. There is a mandate that requires all executive branch internal audit functions to submit reports to the council of internal auditing; however, reports with confidential information must be redacted prior to submission.
30.	5.0 Scope of Work (5.2.d)	Who determines the frequency of Information Systems Audits?	The soliciting agency requesting the audit.

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31.	5.0 Scope of Work (5.2.d)	Does the state have any requirements for in-person execution or can the audits be performed remotely with in-person visits, as appropriate?	The execution of the audits will be determined by the soliciting agency requesting the audit services and be specified in the Request for Quote (RFQ). Refer to Exhibit 3 of the RFP.
32.	5.2.f. Risk Assessment and Audit Plan Development	Historically, how many hours have been dedicated to risk assessment procedures at each agency/campus?	Last year just over 9,300 was spent on risk assessment. Not captured are 58 community colleges, 115 local education agencies and several regulatory boards that may use this state term contract.
33.	5.2.g. Financial Audit	Can you confirm an opinion on financial statements is not within the scope of this RFP?	Opinions on financial statements are not within the scope of this RFP.
34.	Section 5.0	Do any entities anticipate on-demand services as they arise or is there a pre-determined cadence and amount of consulting support already identified?	The State cannot predetermine the needs of the individual agencies; however, soliciting agencies are required to complete a Statement of Work (Exhibit 3) and submit the form to at least one (1) qualified vendor in the requested category.
35.	Section 5.0	Would you anticipate needing local, on-site support, remote assistance, or both?	The need for local, on-site support, or remote assistance will be determined by the soliciting agency and specified in the Request for Quote (RFQ). Refer to section 5.3 of the RFP
36.	Section 5.0	How long will we have to respond to Statement of Work that arises from any of the entities included in this proposal?	The timeline for responding to the Statement of Work will be determined by the soliciting agency and specified in the Request for Quote (RFQ); however, vendors will have a minimum of ten (10) days to respond. Refer to section 5.3 of the RFP.
37.	Section 5.0	There is some overlap in areas in regards to expertise, team, experience, etc. When responding, for sake of brevity, may we reference previous responses with appropriate name/number guidance or would you prefer a complete separate response?	Staff/personnel qualification/experience/education, is only needed once for each type of service included in the Vendors proposal, in response to Sections 5.4 and 5.5.
38.	Section 5.0	When the State has a project need, will it contact all of the firms on this contract (within the applicable category in the RFP) and provide them with an opportunity to submit a proposal? If no, what selection process will be used when project needs arise?	Soliciting agencies must fill out the Statement of Work form (refer to Exhibit 3) and submit it to a minimum of two (2) qualified vendors in the desired category. Refer to section 5.3 of the RFP. See Section 1, Modification #3.
39.	Section 5.0	When the State has a project need, how much advanced notice is typically provided the consultant before the project needs to commence?	Soliciting agencies shall give vendor(s) a minimum of ten (10) days to respond. Refer to section 5.3.2 of the RFP.
40.	Section 5.0	How should we identify which areas we would like to considered for versus areas that are outside of our expertise?	Vendors shall indicate the service categories in which they wish to be considered by submitting base or upper rates for staff, supervisor, and executive hourly rate ranges for each on the pricing schedule (Attachment A). Refer to section 4.9 Cost Proposal.

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Question #	Document Section	Vendor Question	State's Response
41.	Section 5.0	Can we propose on all or just certain portions of the work?	State unable to determine details of this question. See Section 4.9 for details on how vendors should provide proposals for one (1) or more service categories.
42.	Section 5.0	Do we need to include different personnel for each type of work and different references, fees, etc. for each type of work that they list in the RFP?	See Response for Questions 12 and 13 above.
43.	Section 5.0	In the RFP, they ask for expertise with Construction Audits but it is not specifically listed as one of the services…do they consider Construction Audit as a separate service?	Construction audits are not a service category but will follow under compliance audits in Section 5.2 and Assurance audits in Section 4.9
44.	Section 5.0	Do they have an estimated number of hours of support identified for each component?	The State does not have an estimated number of hours for support identified for each component. Vendors should inquire this information of the soliciting agencies.
45.	Att. C NC General Terms and Conditions	How should the Offeror provide exceptions to the State's contractual terms and conditions for the State's consideration?	Please refer to section 2.7 Notice to Vendors Regarding RFP Terms and Conditions.
46.	Att. C NC General Terms and Conditions, Section 2	In (a), would the State consider modifying the remedy for procurement of substitute services to provide that we may be found liable for such costs, since a party's damages should be based on the facts and circumstances and determined by dispute resolution processes? In (b), would the State consider providing a notice and cure period after which, if not cured, such termination for cause would be effective? Alternatively, if the State wishes to discuss specific language or better understand the concerns, would the State please confirm that it is open to the possibility of later discussions and negotiation which may result in a potential amendment of this specific provision of the Contract as per Section 2.3 of the RFP?	The State is willing to negotiate any NC general terms and conditions if the Vendor's includes the modifications in their proposal as stated in Section 2.3.

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Question #	Document Section	Vendor Question	State's Response
47.	Att. C NC General Terms and Conditions, Section 15	Would the State consider the clarifying modifications outlined below to align the insurance requirements with our industry-standard coverage? Alternatively, if the State wishes to discuss specific language, would the State please confirm that it is electing to leave open this section for later negotiation and amendment of this specific provision of the Contract as per Section 2.3 of the RFP? 2(ii)./3(ii). Commercial General Liability – General Liability Coverage on a Comprehensive Commercial Broad Form… 2(iii). Automobile – The minimum combined single limit shall be $250,000.00 bodily injury and property damage combined. ~~$250,000.00 uninsured/under insured motorist; and $2,500.00 medical payment.~~ 3(iii). Automobile – The minimum combined single limit shall be $500,000.00 bodily injury and property damage combined. ~~$500,000.00 uninsured/under insured motorist; and $5,000.00 medical payment.~~	The State is willing to negotiate any NC general terms and conditions if the Vendor's includes the modifications in their proposal as stated in Section 2.3.

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Question #	Document Section	Vendor Question	State's Response
48.	Att. C NC General Terms and Conditions, Section 16	Can the indemnity be modified to be for third party claims for bodily injury, including death, or damages to real or tangible personal property to the extent directly and proximately caused by Contractor's negligence or intentional misconduct in its performance of the services? We would propose the use of the following example. However, in the event the State does not agree with our example, we ask that the State please confirm that it is open to the possibility of later discussions and negotiation which may result in a potential amendment of this specific provision of the Contract as per Section 2.3 of the RFP? "The Vendor shall indemnify, defend and hold and save the State, its officers, agents, and employees, harmless from (i) liability of any kind, including all claims and losses, in each case accruing or resulting to any other person, firm, or corporation furnishing or supplying work, Services, materials, or supplies in connection with the performance of the Contract as a subcontractor or vendor of Vendor, and also from (ii) any and all claims and losses accruing or resulting to any person, firm, or corporation that may suffer personal be injuryed or whose/which real or tangible property is damaged by the Vendor in the performance of the Contract, in each of cases (i) and (ii) that are attributable to the negligence or intentionally tortious acts of the Vendor, provided that the Vendor is notified in writing within 30 days from the date that the State has knowledge of such claims."	The State is willing to negotiate any NC general terms and conditions if the Vendor's includes the modifications in their proposal as stated in Section 2.3.
49.	Att. C NC General Terms and Conditions, Section 20	Would the State agree to clarify that the Vendor is responsible for the loss or damage to the State's real or tangible property and, as to Data, the cost to restore the State's most recent backup? Alternatively, if the State wishes to discuss specific language, would the State please confirm that it is open to the possibility of later discussions and negotiation which may result in a potential amendment of this specific provision of the Contract as per Section 2.3 of the RFP?	The State reserves the right to negotiate this term of the contract prior to contract award.

Question #	Document Section	Vendor Question	State's Response
50.	Att. C NC General Terms and Conditions	Prior to contract execution, would the State be willing to negotiate a mutual, aggregate limitation of liability for each party (other than for damages arising from a party's recklessness or intentional misconduct and any other damages for which a limit is specifically not allowed by State law)? We would propose the use of the following example. However, in the event the State does not agree with our example, we ask that the State please confirm that it is open to the possibility of later discussions and negotiation which may result in a limitation of liability as per Section 2.3 of the RFP? "Each party shall not be liable to the other party for any claims, liabilities, or expenses relating to or in connection with this Contract or any statement of work ("Claims") for an aggregate amount in excess of the fees paid by the State to Vendor under such statement of work, except to the extent resulting from their recklessness, bad faith or intentional misconduct."	The State reserves the right to negotiate this term of the contract prior to contract award.
51.	Att. C NC General Terms and Conditions, Section	New Section – Disclaimer of Damages Would the State be willing to include a mutual disclaimer of consequential and punitive damages in the resulting Contract? We would propose the use of the following example. However, in the event the State does not agree with our example, we ask that the State please confirm that it is open to the possibility of later discussions and negotiation which may result in a disclaimer of consequential and punitive damages as per Section 2.3 of the RFP? "In no event shall a party be liable to the other party for any consequential or punitive loss, damage, or expense, relating to or in connection with this Contract or any statement of work."	The State reserves the right to negotiate this term of the contract prior to contract award.
52.	Section 4.9 Cost Proposal	Should this read: The rate that the Vendor will provide an staff accountant with expert qualifications that demonstrated success. Upper Rates as quoted in this RFP will preclude any Vendor from offering a rate for an auditor higher than the established upper rate in response to a soliciting agency's request for services.	The proposed rate provided by a Vendor will be the maximum rate that can be charged. The lower rate of for less experienced staff and the upper rate is for more experienced staff. The rate proposed will be the ceiling and vendor will not be able to charge soliciting agency high rates.

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Question #	Document Section	Vendor Question	State's Response
53.	Section 2.8 Proposal Contents/ Section 3.4 Evaluation Criteria	The proposal contents listed in section 2.8 require a response to RFP 5.4 (Project Staffing), but not to RFP 4.11 (Personnel). However, the evaluation factors in Section 3.4 state that personnel (RFP 4.11) will be evaluated and are silent on whether and how RFP 5.4 will be evaluated. Please clarify whether vendors should respond to 4.11 and/or 5.4 and how each will be evaluated.	See Response for Questions 12 and 13 above.
54.	Att. A Pricing Form	Would the State please consider allowing bidders to include additional Labor Categories, outside of base rate and upper rate for an auditor, audit supervisor and audit executive? Additional labor categories, particularly in between the base and upper rates, will provide the State with more flexibility in execution to tailor the qualifications of their teams to the specific SOW requirement.	Yes. See Section 1, Modification #5 (Attachment A: Cost Proposal Form), updated to reflect optional additional labor categories. Other professional staff – At their discretion, responding firms may include hourly rates for additional professional staff experienced in respective categories.
55.	Section 2.8 Proposal Contents	Please clarify where in the Sourcing Tool (Ariba) we should upload our response to Section 2.8 Proposal Contents, letter d ((d) Vendor's Proposal addressing all Specifications of this RFP: 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 5.4, 5.5, 6.1). We did not see a location specified in the tool.	The State has assigned specific sections for vendors to submit the completed RFP attachments. Any additional required documents should be uploaded in section 6.1 labeled "Return Solicitation Document" within the Ariba Sourcing Event, unless specified otherwise.
56.	ATT. G: CERTIFICATION OF FINANCIAL CONDITION	Should attachment G be added to the Evaluation Criteria table on page 12 and evaluated as pass/fail?	Although Attachment G is not part of the evaluation criteria, it is still required to be submitted along with the vendor's response to determine their level of responsiveness.
57.	Section 2.8 Proposal Contents	Would the State please provide Attachment E? It was not included with the Solicitation documents.	Attachment E Reference form has been added to section 6.3 of the sourcing event.
58.	Section 5.5 Technical Approach	Section 5.5. Technical Approach asks for "Key Personnel Qualifications - Education/Background, experience." This appears to be duplicative of what is required in sections 4.11 and 5.4. Would the State please clarify what is required for Key Personnel in section 5.5 and how it differs from section 4.11 and 5.4? Alternative, please state that the bidder can simply reference sections 4.11 and 5.4 in its response to section 5.5.	See responses for Questions 12 and 13 above.

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Question #	Document Section	Vendor Question	State's Response
59.	Section 4.9 Cost Proposal	Please clarify how the 4 Services included in 4.9 Cost Proposal (Assurance Services, Accounting Services, Managerial Advisory Services, Data Analytics Services) relate to the 9 Service Categories included in Section 5.2 ((a) Operational Performance Audits…(i) Managerial Audit Services). Please also clarify how the 4 Services included in 4.9 Cost Proposal should be used in completion of Attachment A. Pricing Form.	Section 4.9 Assurance Services equates to the following service identified in Section 5.2: 1) operational/performance audits 2) investigation audits 3) compliance audits 4) information system audits 5) financial audits 6) risk assessments and Audit Plan Development Section 4.9 Accounting Services equates to Section 5.2 Accounting and Financial Services. Section 4.9 Managerial Advisory Services equates to Section 5.2 Managerial Advisory Services Section 4.9 Data Analytics Service equates to Section 5.2 Data Analytics/Continuous Monitoring
60.	General	My company is not based out of North Carolina and we plan on submitting a response to this RFP. I wanted to confirm if my firm can respond to this RFP as an out of state company?	Any vendor may submit a proposal for this solicitation.
61.	Section 5.2 References	I am reviewing your Excel spreadsheet and do not see attachment E? Alternatively, I can submit my own form with at least 5 references. I just want to make sure I am following the directions.	Attachment E Reference form has been added to section 6.3 of the sourcing event.
62.	Section 3.8 Proposal Contents	Item g, Attachment E: Customer Reference Form states that vendors are to include a, 'completed and signed version of Attachment E: Customer Reference Form." There is not an Attachment E form issued. Can North Carolina Division of Purchase and Contract issue Attachment E: Customer Reference Form?	Attachment E Reference form has been added to section 6.3 of the sourcing event.
63.	Section 2.4 RFP Schedule	RFP Schedule lists August 22, 2023 @ 2:00pm ET as due date and time for vendors to submit proposals. The Ariba Sourcing portal lists August 21, 2023 @ 2:00pm ET as due date and time for vendors to submit proposals. Can North Carolina Division of Purchase and Contract confirm the day and time responses for this opportunity are due by?	The bid opening date was revised in Addendum #1. The bid opening is now scheduled for September 6, 2023 @ 2:00 PM. Any further modifications to the RFP schedule will be posted via an addendum posted in the Ariba Sourcing Tool.
64.	Att. A Pricing Form	The event indicates that the Pricing Form should be an Excel file, but it's a pdf. Should we provide the table from the pdf in an Excel file?	The Pricing form provided in the sourcing event is a PDF document.

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Question #	Document Section	Vendor Question	State's Response
65.	Att. A Pricing Form	Will NCDOA allow Vendors to submit additional roles (e.g., for Subject Matter Experts) and associated rates outside of the four roles (Staff Base/Upper Rate, Supervisor, Executive) listed within the pricing form?	At the end of Section 4.9 – "Other professional staff" can be added to any of the service categories.
66.	Att. C General Terms & Conditions	Can Vendors utilize offshore resources to support the scope of work listed in the solicitation?	It is possible depending on the specific set of circumstances in which offshore resources are being utilized.
67.	Exhibit 2: Example Auditor's Professional Qualifications	Within Exhibit 2: Example of Auditor's Professional Qualifications, most Base Rate qualifications require 2 or 3 years of experience within the service category. Are Vendors allowed to use resources that don't meet the minimum years of experience even if there is proper oversight of an individuals performance and quality of work?	Exhibit 2 are examples and not requirements. The expectation for rates are that less experience staff would garner a lower hourly rate and more experience staff would have a higher hourly rate.
68.	Page 21, para 5.2g. Financial Audit	Please clarify the narrative found in this section pertaining to Financial Audits. The summary statement opening this section reads "Independent financial statement audits to attest to the fairness and accuracy of financial statements are not within the scope of this RFP." However the text that follows appears to clearly define audit services as they are defined in relevant professional guidance. Please advise as to what services are envisioned by DOA under this category.	Financial audits can range from verifying information in program report is complete and accurate to verifying financial controls are working properly. Opining on the fairness of the financial statement for an agency is not part of this RFP.
69.	Exhibit 2: Example Auditor's Professional Qualifications	Please reconcile the service category for Construction Audits found on page 27, Exhibit 2, last row with the pages 19-22 - scope of work section. This category does not appear to be included in the RFP's scope section, please advise.	Construction audits are not a service category but will follow under compliance audits in Section 5.2 and Assurance audits in Section 4.9
70.	Section 4.10 Work Papers	Please confirm that bidders will be permitted to retain copies of work papers in order to comply with applicable professional standards (e.g. AICPA)	Per section 4.10a, Vendors shall not retain copies of any work papers unless the Vendor is required to comply with quality assurance review auditing standards and when the soliciting agencies agrees, in writing, to waive this requirement. Vendors required by the AICPA or a State governing body to maintain workpaper for external quality assurance review purpose will be allowed to retain copies but may not use any state data obtain during the scope of work, for any other purposes.

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Question #	Document Section	Vendor Question	State's Response
71.	Section 4.10 (c) Confidentiality and North Carolina General Terms and Conditions	Would the State please consider the negotiation of limited data disclosure to third party vendors who perform various administrative and clerical functions for the Firm?	The State reserves the right to negotiate this term of the contract prior to contract award.
72.	North Carolina General Terms and Conditions	Would the State consider the negotiation of a Limitation of Liability provision?	The State reserves the right to negotiate this term of the contract prior to contract award.
73.	Section 4.10 (Work Papers) and North Carolina General Terms and Conditions	Would the State please consider the negotiation of a mutually agreeable IP Ownership provision as it relates to any resulting contract? We would seek to protect our organization's intellectual property and allow for residual knowledge rights related to our services.	The State reserves the right to negotiate this term of the contract prior to contract award.
74.	North Carolina General Terms and Conditions	Would the State please consider the negotiation of a reasonable opportunity to cure for any material deficiencies which results in the Vendor's breach of contract?	The State reserves the right to negotiate this term of the contract prior to contract award.
75.	North Carolina General Terms and Conditions	Would the State please consider the negotiation of limited changes to the general indemnity provision which holds the Vendor responsible for third party claims related to death, bodily injury, or damage to tangible property?	The State reserves the right to negotiate this term of the contract prior to contract award.
76.	Section 5.2g Financial Audits	We understand that independent financial statement audits attesting to the fairness and accuracy of financial statements are not within the scope of this RFP. However, this service category requests "verification of the financial statements, or a component of the financial statement, of a legal entity with a view to express an audit opinion. The audit opinion is intended to provide reasonable assurance that the financial statements are presented fairly." Can you please provide further distinction between "independent financial statement audits" and "financial audits" related to the scope of services being requested? Or confirm if these services are all out of scope for this contract?	Financial audits can range from verifying information in program report is complete and accurate to verifying financial controls are working properly. Opining on the fairness of the financial statement for an agency is not part of this RFP.

Question #	Document Section	Vendor Question	State's Response
77.	Section 2.3 & North Carolina General Terms and Conditions	13. ACCESS TO PERSONS AND RECORDS - we request the following change: "...the State Auditor and any Purchasing Agency's internal auditors shall have access to persons and records related to the Contract to verify accounts and data affecting fees or performance under the Contract, as provided in G.S. 143-49(9), upon reasonable advance written request."	The State reserves the right to negotiate this term of the contract prior to contract award.
78.	Section 2.3 & North Carolina General Terms and Conditions	6. GENERAL INDEMNITY - we request replacing Paragraph A with the following: "Provided that the Vendor is notified in writing within 30 days of the date that the State has knowledge of applicable claim, Vendor agrees to indemnify, defend and hold harmless the State (including, without limitation, its officers, directors, shareholders, employees, agents, successors, and assigns) from and against any and all claims, debts, liabilities, damages, demands, obligations, costs, expenses (including, without limitation, reasonable attorneys' fees and court costs), actions and causes of action arising from (a) the breach of any of the terms of the contract by Vendor or any party acting by or through Vendor (including, without limitation, any of its representatives); (b) the violation of any applicable law or regulations; or (c) a claim asserted by any third-party based on the negligence of the Vendor in the performance of the contract. This paragraph shall survive the termination of the contract including any renewal or extension thereof; provided, however, that the maximum aggregate liability of Vendor with respect to the indemnification obligations of this Contract shall not exceed the sum of ten million dollars ($10,000,000.00)."	The State reserves the right to negotiate this term of the contract prior to contract award.
79.	Section 2.3 & North Carolina General Terms and Conditions	20. CARE OF STATE DATA AND PROPERTY - we request the following change: "The Vendor shall notify the State of any security breaches within 24 48 hours..."	The State reserves the right to negotiate this term of the contract prior to contract award.

Question #	Document Section	Vendor Question	State's Response
80.	Section 2.3 & North Carolina General Terms and Conditions	28. FEDERAL FUNDS PROVISIONS, i) Access to Records, paragraph 1 - we request the following change: "Upon reasonable advance, written notice, The Vendor agrees to provide the Purchasing Agency, the Administrator of the federal agency providing funds hereunder, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Vendor which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts, and transcriptions."	The State reserves the right to negotiate this term of the contract prior to contract award.
81.	Section 4.10 Additional Requirements	d. Records Retention - we request the following change: "Record retention requirements shall be consistent with any pertinent regulatory or other requirements and records shall be maintained for a minimum of ~~ten~~ *eight* years.:	The State reserves the right to negotiate this term of the contract prior to contract award.
82.	Section 4.3 HUB Participation	Can the goal of 10% utilization be achieved with an MBE, WBE or Veteran firm?	The vendor is not required to meet the goal of 10%, but documenting the vendors status of small, minority, physically handicapped, and women contractors in purchasing Goods and Service **or** strategic plan, should be provided in the Attachment, to allow the State to pursue efforts for the State's goal of meeting the 10%.
83.	Section 4.9 Cost Proposal	Is the State seeking one rate for each professional level, to remain applicable for the duration of the five-year contract, or should bidders provide rates by level with applicable increases for each year?	Vendors must provide their best current hourly rates. Changes to the contract during its duration must be agreed upon by both the State and the Vendor and documented through written contract amendments.
84.	Section 5.1 General	Will the vendor be required to follow up on reported findings and recommendations?	The Vendor will only be required to conduct follow up work, if the soliciting agency requesting a quote includes follow up to recommendations in a scope of work.
85.	Attachment F, Location of Workers Utilized by Vendor	Attachment F indicates the State will evaluate the use of potential resources out of the U.S. Are you able to confirm whether the use of offshore resources will be allowed for this work? What percentage of the work can be estimated as needing to be done on-site at a State location vs performed remotely? I'm sure the nature of each audit will dictate that, but if there are no specific reasons (onsite physical observation of a data center for example) why on-site work would need to be performed is remote work acceptable?	Per Attachment F, The State will evaluate the additional risks, costs, and other factors associated with the utilization of workers outside of the United States prior to making an award. The State cannot estimate the proportion of on-site work versus remote work that is needed. The decision on whether remote work is acceptable shall be mutually agreed upon by the soliciting agency and the contracting vendor. Please refer to Exhibit 3 for more information.

Question #	Document Section	Vendor Question	State's Response
86.	General Solicitation	Do you envision any of this work being performed as staff augmentation where the State will supervise the vendor's resources, or would all resources needed to perform work be supervised by the vendor's management and leadership team?	No. The purpose of this solicitation does not include scope for staff augmentation.
87.	Section 4.8 Financial Statements	Related to the disclosure of financial statements, we are a privately held limited liability partnership and do not routinely disclose firm financial information like most large CPA firms. The RFP indicates financials are worth 200 points. Is it acceptable to provide you our insurance for liability claims and our bank contact information if you feel the need to discuss our firm's financial stability? This approach was acceptable the last time we bid on this same contract and want to ensure we do not lose points under this method as our firm is financially stable.	Yes. Section 4.8(b)(1) requires the vendor to provide "…such other evidence that is accurate, reliable and trustworthy regarding the Vendor's financial stability."
88.	Att. A Pricing Form	If offshore resources are allowed to be used per the above question (#88), how would you like us to document those rates since there is no specific place for "Other" rates on the form and those rates would be lower than our staff base rate listed on the form?	Section 4.9 last paragraph can be applied to any service category and states: Other professional staff – At their discretion, responding firms may include hourly rates for additional professional advisory staff experienced in organizational operations, business administration, economic or revenue analysis and related managerial advisory tasks and functions. A vendor should list Off-shore staff and the applicable rates.
89.	Section 4.10a Additional Requirements	If the State requires us to draft audit reports for internal audit work, would those reports be on our firm's letterhead or State of NC letterhead for the respective agency or university the report pertains to?	Audit reports should be on the firm's letterhead.
90.	Section 4.3 HUB Participation	The RFP seems to indicate 10% is the goal for the usage of minority, women, and disabled businesses (historically underutilized businesses per the form). Can you confirm that is the goal of this RFP such that if my firm is not considered one of these types of organization that we should plan on subcontracting 10% of this work to firm that is classified as one of these types of organizations?	The vendor is not required to meet the goal of 10%, but documenting the vendors status of small, minority, physically handicapped, and women contractors in purchasing Goods and Service **or** strategic plan, should be provided in the Attachment, to allow the State to pursue efforts for the **State's** goal of meeting the 10%. For information about becoming a certified HUB vendor, please visit: https://ncadmin.nc.gov/divisions/historically-underutilized-businesses-hub/certifications

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91.	Section 4.11 Personnel /5.0 Scope of Work	Many of our Internal Audit consultants can also do Managerial Advisory work since there is some overlap and crossover. Can you confirm it is acceptable to leverage some of the same individuals in multiple scope areas such as these provided those individuals possess the required skills?	Yes, this is acceptable.
92.	Section 5.0 Scope of Work	The RFP discusses Compliance audits and Financial Statement audits and seems to indicate that the vendor may be asked to perform these. Can you confirm contractual compliance (for example), but a formal opinion won't be required as an attest financial statement audit would these won't be considered attest audits, such that the vendor may test financial controls or controls related to?	Financial audits can range from verifying information in program report is complete and accurate to verifying financial controls are working properly. Opining on the fairness of the financial statement for an agency is not part of this RFP.
93.	Section 2.8 Proposal Contents	Indicates we need to complete Attachment E – Customer Reference Form, but this did not seem to be on the portal to download. As discussed in the pre-proposal conference, can you add to the portal?	Attachment E Reference form has been added to section 6.3 of the sourcing event.
94.	Section 5.5 Technical Response	Section 5.5 says we should provide a "description of each task and deliverable and the schedule for accomplishing each". How would you like us to document this when no specific scope of work has been identified? Should we just provide a general description of how we typically perform an internal audit, forensic investigation, etc. for each in scope area?	Vendors are required to provide their organization and approach to accomplishing Sections 5.1 – 5.3, as the Scope of Work for conducting described type of audits, using their current business practices.
95.	Att. A Pricing Form	The rates listed are staff base rate, staff upper rate, supervisor, and executive. Can you confirm a staff upper rate would be similar to senior internal auditor and a supervisor would be similar to an internal audit manager role? Also, our firm, like many others, has a senior manager role. Can we document in the supervisor column on the form both a base rate for the manager role and an upper rate for a senior manager?	Do not deviate from the requirement in Att. A Pricing form. The prices provided are a ceiling rate. When a Vendor is responding to a request for quote from a soliciting agency, the rates provided in the quote may be lower but cannot be higher than the amounts provided in the Vendor's proposal. The Cost Proposal form has been updated to allow for additional position categories.

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Question #	Document Section	Vendor Question	State's Response
96.	Section 5.0 Scope of Work/Exhibit 2	Construction audit shows in Exhibit 2 and the Pricing Form but is previously not mentioned as a requested service in Section 5 of the RFP. Can you clarify if this is in scope of this RFP and if we need to provide rates and technical experience in this area?	Construction audits are not a service category but will follow under compliance audits in Section 5.2 and Assurance audits in Section 4.9
97.	General Solicitation	Does the Department of Information Technology in North Carolina provide the centralized governance standards that all other agencies in the state need to follow with regards to IT security, IT compliance, IT Systems Development and Acquisition, Baseline Configurations for Server Operating Systems and Databases, Identifying and Classifying their sensitive IT Systems and the frequency in which they are audited, etc.?	Yes.
98.	General Solicitation	Does North Carolina IT follow a particular governance standard for Information Technology and Information Security (e.g., NIST, ISO27001, other)?	You can view NC DIT Security, Privacy & Data Protection Policies & Forms here: State IT Policies | NCDIT
99.	General Solicitation	Does North Carolina have IT Security governance standards in place that each state agency using Third Party vendor hosted or cloud-based systems must follow?	Yes. There are specific requirements and approvals needed for storing States data in cloud-based third party hosting sites. You can view NC DIT Security, Privacy & Data Protection Policies & Forms here: State IT Policies | NCDIT
100.	General Solicitation	Does each North Carolina state agency support their own internal Infrastructure, or does the Department of Information Technology provide Managed Services IT support to state agencies?	It varies by agency but many cabinet agencies are supported by the Department of Information Technology (DIT) while most Council of State agencies are not supported by DIT and maintain their own infrastructure.
101.	SECTION 5.G.2 Financial Audits	Will the State provide more detail about the types of financial audits requested? Are previous audit results publicly available?	Financial audits can range from verifying information in program report is complete and accurate to verifying financial controls are working properly. Opining on the fairness of the financial statement for an agency is not part of this RFP. An agency's internal audit reports are subject to public records request.

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Question #	Document Section	Vendor Question	State's Response
102.	SECTION 2.8.B Proposal Contents	Can vendors provide proposal responses on their own letterhead and include the execution pages from the RFP, or must all responses be drafted and submitted within the RFP document?	All responses must include all execution pages, along with the body of the RFP (with response to all questions answered), along with any addenda and attachments required to be returned. Additionally, (See Section 2.8.d) vendors shall provide response to all free form response addressing required response on their own letterhead. All information should be uploaded to the Sourcing Tool. Failure to provide all required items or submitting incomplete items may result in the State rejecting their proposal.
103.	SECTION 5.0	Construction audit is listed in Exhibit 2 and Attachment A, but not in 5.0 Scope of Work. Can the State confirm if Construction Audit services are in-scope for this contract?	Construction audits are not a service category but will follow under compliance audits in Section 5.2 and Assurance audits in Section 4.9
104.	SECTION 4.3	Can the State confirm that the 10% HUB utilization is not required for this proposal response but rather for future responses to Request for Quotes under this contract?	The vendor is not required to meet the goal of 10%, but documenting the vendors status of small, minority, physically handicapped, and women contractors in purchasing Goods and Service **or** strategic plan, should be provided in the Attachment, to allow the State to pursue efforts for the State's goal of meeting the 10%. For information about becoming a certified HUB vendor, please visit: https://ncadmin.nc.gov/divisions/historically-underutilized-businesses-hub/certifications
105.	SECTION 4.11	Can the State confirm which labor categories it is evaluating in 3.4 Evaluation Criteria: Personnel (4.11)? Is the State evaluating the following labor categories per service category, as the Attachment A: Pricing Form suggests? a. Lower staff b. Upper staff c. Supervisor d. Executive	Pricing categories are not being evaluated for staff qualifications. For each service category in Section 5.2 that is included in a Vendor's proposal, the Vendor is responsible for providing information on staff qualifications that supports the ability to perform the specific service. Vendors may provide resumes for executives, supervisors (manager), or staff.
106.	SECTION 5.2.f	Can the State provide information about how many auditable areas are there and expectation of time to complete each audit?	The number of auditable areas is unknown. There are 38 State agencies and universities, 58 community colleges, 115 local education agencies and several regulatory boards that may use this state term contract. The time to complete each audit should be specified by the soliciting agency in the Request for Quotes/Scope Statement. Refer to Exhibit 3.

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107.	SECTION 5.2.f	Does the State have personnel on staff to carry out some of the activities listed?	Soliciting agency requesting risk assessment and audit plan development may or may not have staff to carry out some of these activities. This would be indicated in the soliciting agency's Request for Quotes/Scope Statement.
108.	Section 4.5 References	Can the 5 projects be ongoing or do they have to be completed?	The projects may be ongoing.
109.	Section 4.4 a), Vendor Experience	May we provide a list of similar projects with client names and project titles, or does the State require short descriptions of each project as well? We will be submitting detailed project descriptions in our reference response.	Section 4.4 requires that Vendor demonstrate their experience with public and/or private sector clients with similar or greater size and complexity to the State. Vendor shall provide information as to the qualifications and experience of all executive, managerial, legal, and professional personnel that were assigned to similar projects. This information is different from what is requested in section 4.5.
110.	Section 4.7 a), External Reviews and Regulatory Action	Can we provide just the review letter and comments, not the whole report?	The Vendor must provide the opinion received and all deficiencies identified.
111.	Section 5.4, Project Staffing	May we provide a table with the names of consultants who may provide services, with columns indicating which service categories they would provide services for?	Yes. However, vendors must also provide information as to the qualifications and experience of audit, accounting, data analytics and managerial advisory personnel to be assigned to each of the service categories for which the Vendor submits a proposal.
112.	Section 5.5 Technical Approach	Does the state want a draft, detailed workplan for each service category, or would a more general description of our approach to each category be sufficient?	Vendors are required to provide their organization and approach to accomplishing Sections 5.1 – 5.3, as the Scope of Work for conducting described type of audits, using their current business practices. Vendors should provide a general description of the approach taken to complete each service category.
113.	Section 5.5 Technical Approach	What Key Personnel qualifications should be included in this part of our proposal? Is the State looking for principal, senior auditor, and project manager level qualifications?	Key personnel are individuals that have the responsibility for ensure milestones, deadlines and/or accomplishment of project objectives are achieved.
114.	General Solicitation	Due to technical issues with the eVP and Ariba systems, we were not able to access the Ariba event with the attachments and additional instructions until 7/31. Would the State consider extending the proposal due date to August 29th?	The proposal due date and bid opening has been changed to September 1, 2023.
115.	Exhibit 2	For the Qualifications listed in Exhibit 2, do these apply to all personnel working on the project or can they apply to only some?	These are examples that may relate to some personnel.
116.	Section 5.2e, Data Analytics /Continuous Monitoring	Are the firms providing Data Analytics services required to have audit experience?	No, firms providing data analytic skills are not required to have audit experience.

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Question #	Document Section	Vendor Question	State's Response
117.	General Solicitation	Will the State favor vendors that can provide all of the service categories?	All qualified proposals will be assessed by the State according to the evaluation criteria and requirements stated in the RFP. The State will award based on what is deemed most advantageous for the State.
118.	Section 4.6 Legal Right to Practice in NC	Could the State kindly provide clarification on the requirements specified under Section 4.6? Specifically, we seek clarification on whether vendors are obligated to furnish one of the mentioned points or if vendors are required to provide all of them.	The Vendor must demonstrate it is legally authorized to practice in North Carolina. One item on the list would validate this legal right.
119.	Exhibit 3	Under section 11 COST (AND PROJECT HOURS), could the State please clarify how they want vendors to address column "Number of Staff"?	. Exhibit 3 will only be completed once a soliciting agency request a quote for services. The number of staff would be the full-time equivalent. Example: Vendor provides one full-time and one-part time staff to work on the projects continually, staff = 1.5
120.	Exhibit 3	Under section 11 COST (AND PROJECT HOURS), could the State please clarify if vendors have to provide the number of resources, they are proposing in column "Number of Staff"?	Additional clarification should be inquired of the soliciting agency.
121.	Section 5.4 Project Staffing	Could the State please clarify if they must provide actual or sample resumes? If actual resumes are required, can we replace these resources at the task order level if they are not available?	Vendors must show now staff qualification and if these staff leave the Vendor's employment or do not have capacity, staff of similar years and experience may take their place.
122.	Section 4.9 Data Analytics Service	Data Analytics Service, it says, "Other Professional Staff" Could the State please clarify what information or positions the State wants vendors to provide?	Section 4.9 last paragraph can be applied to any service category not just Data Analytics. The State is providing Vendors the opportunity to provide additional staff to the approved list. These would be subject matter experts such as economic or revenue analysis for data analytics or an organizational behavioral specialist for operational/performance audits.
123.	Section 4.9 Data Analytics Service	Data Analytics Service, it says "Other Professional Staff" could the State please clarify if vendors can provide any Data position under this category?	Section 4.9 last paragraph can be applied to any service category not just Data Analytics. The State is providing Vendors the opportunity to provide additional staff to the approved list. These would be subject matter experts such as economic or revenue analysis for data analytics or an organizational behavioralist for operational/performance audits
124.	Section 4.8 Financial Statement	Could the State please clarify if vendors only have to provide one of these points, not all?	Yes, just one of the points.

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Question #	Document Section	Vendor Question	State's Response
125.	Section 4.7 External Reviews and Regulatory Action	Could the State please clarify if vendors who can provide point b but not point a are still eligible to bind on this solicitation?	Only vendors required by the AICPA are required to meet 4.7a. Vendors not required to obtain a peer review must 4.7b and fully describe the system of quality controls.
126.	Section 5.2 d Information Systems Audits	Could the State please clarify if they are looking for vendors to provide IT Staff Augmentation services to recruit the positions once the contract is awarded, or is the State looking for a vendor who has In-house personnel to fill the positions required?	Soliciting agency will drive the types of services needed. Agencies may solicit for a turn-key IT audit where the Vendor is responsible for planning, testing and report writing.
127.	Section 5.2 d Information Systems Audits	Could the State please clarify if this solicitation is for IT Staff Augmentation services or deliverable-based project services?	Deliverable based project services only.
128.	Section 4.3 HUB Participation	Could the State please confirm if it is mandatory to use a HUB subcontractor to bid on this solicitation?	It is not mandatory to use a HUB subcontractor.
129.	Section 4.5 References	Could the State please confirm if vendors can provide ongoing contracts as references?	Vendors may provide references for on-going contracts.
130.	General Solicitation	Could the State please confirm if this a new contract? If not, could the State please share the incumbent names?	The State is seeking to establish an new Statewide Term Contract (STC). Information regarding vendors on the current STC can be found here.
131.	Section 4.9 Cost Proposal	For the upper rate information systems auditor, can equivalent experience (such as 8 years) be substituted for a Master's degree?	Section 4.9 for assurance audits upper rate states: The maximum rate that the Vendor will provide an auditor with expert qualifications that demonstrated success. Upper Rates as quoted in this RFP will preclude any Vendor from offering a rate for an auditor higher than the established upper rate in response to a soliciting agency's request for services. Exhibit 2 provides examples only.

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Check **ONLY ONE** of the following options and return one properly executed copy of this Addendum prior to the Solicitation opening time and date.

☐ A response was submitted prior to this Addendum. An updated response has been submitted to address the changes resulting from this Addendum.

☐ A response was submitted prior to this Addendum. **NO CHANGES have resulted** from this Addendum.

☑ A response was **not** submitted prior to this Addendum. **ANY CHANGES resulting** from this Addendum are included in our response.

ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME

Laura Soileau _____ September 5, 2023

Authorized Signature Date

Laura Soileau _____ Partner

Printed Name Title

EXHIBIT 3: EXAMPLE OF STATEMENT OF WORK

NOTE: Items highlighted in yellow are for agency completion, remove highlighting and ( ) on issued documents.

STATE OF NORTH CAROLINA

REQUEST FOR QUOTES

SCOPE STATEMENT NUMBER – STC#8411A

Enter Agency Name, Request #Enter Agency Contract Number

TITLE:	Short Term Internal Audit, accounting, data analytic and managerial advisory Services Contract Number RFP# DPC-646236801-MT
ISSUE DATE:	(Date of Agency Issue)
NAME:	Scope Statement Number STC#8411A Agency Name # enter agency contract number **(Agency Add Audit Assurance, Accounting data analytic and Advisory Services Required)**
DUE DATE:	(Date of Opening)
USING AGENCY:	Agency Name
ISSUING AGENCY:	Agency Name Individual Name Individual Phone # Individual email address Agency Street address City, NC zip code

NOTICE TO OFFERORS

Emailed offers, subject to the conditions made a part hereof, will be received at Individual email address **until 2:00 PM on Enter Date, for** delivering of the audit service as described herein.

Offers are subject to rejection unless submitted on this form.

EXECUTION

In compliance with this Scope Statement, and subject to all the conditions herein, the undersigned Vendor offers and agrees to furnish and deliver any or all items upon which prices are bid, at the prices set opposite each item within the time specified herein. By executing this Scope Statement, the undersigned Vendor certifies that this proposal is submitted competitively and without collusion (G.S. 143-54), that none of its officers, directors, or owners of an unincorporated business entity has been convicted of any violations of Chapter 78A of the General Statutes, the Securities Act of 1933, or the Securities Exchange Act of 1934 (G.S. 143-59.2), and that it is not an ineligible Vendor as set forth in G.S. 143-59.1. False certification is a Class I felony. Furthermore, by executing this proposal, the undersigned certifies to the best of Vendor's knowledge and belief, that it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal or State department or agency. As required by G.S. 143-48.5, the undersigned Vendor certifies that it, and each of its sub-Contractors for any Contract awarded as a result of this Scope Statement, complies with the requirements of Article 2 of Chapter 64 of the NC General Statutes. G.S. 133-32 and Executive Order 24 (2009) prohibit the offer to, or acceptance by, any State Employee associated with the preparing plans, specifications, estimates for public Contract; or awarding or administering public Contracts; or inspecting or supervising delivery of the public Contract of any gift from anyone with a Contract with the State, or from any person seeking to do business with the State. By execution of this response to the Scope Statement, the

undersigned certifies, for Vendor's entire organization and its employees or agents, that Vendor is not aware that any such gift has been offered, accepted, or promised by any employees or agents of Vendor's organization.

Failure to execute/sign offer prior to submittal shall render the Scope Statement invalid.

VENDOR:			
STREET ADDRESS:		P.O. BOX:	ZIP:
CITY & STATE & ZIP:		TELEPHONE NUMBER:	TOLL FREE TEL. NO (800)
PRINT NAME & TITLE OF PERSON SIGNING:		FAX NUMBER:	
AUTHORIZED SIGNATURE:	DATE:	E-MAIL:	

Offer valid for ninety (90) days from insert date.

ACCEPTANCE OF SCOPE STATEMENT

If any or all parts of this Scope Statement are accepted by the State of North Carolina, an authorized representative of the Agency name shall affix their signature hereto and this document, special terms and conditions specific to this Scope Statement, the specifications, and in accordance with contract DPC-646236801-MT awarded Month XX, 202X. A copy of this acceptance will be forwarded to the successful Vendor(s).

FOR STATE USE ONLY

Offer accepted and contract awarded this ____ day of _____, 20_____, as indicated on attached certification,

by _____

(Authorized representative of the Office of State Human Resources)

SUBMISSION INSTRUCTIONS:

Emailed offers to **Individual email address** by **2:00 PM on (insert date).**

LATE SUBMISSIONS: Regardless of cause, late submissions will not be accepted and will automatically be disqualified from further consideration. It shall be the Vendor's sole risk to ensure delivery to ***Individual email address*** by the designated time.

BASIS FOR REJECTION: Pursuant to ***01 NCAC 05B .0501***, the State reserves the right to reject any and all offers, in whole or in part; by deeming the offer unsatisfactory as to quality or quantity, delivery, price or service offered; non-compliance with the requirements or intent of this solicitation; lack of competitiveness; error(s) in specifications or indications that revision would be advantageous to the State; cancellation or other changes in the intended project, or other determination that the proposed requirement is no longer needed; limitation or lack of available funds; circumstances that prevent determination of the lowest responsible or most advantageous offer; or any other determination that rejection would be in the best interest of the State.

TRAVEL: Per Statewide Term Contact 8114A, the state will not pay travel costs to and from the designated workplace for Vendor's personnel. In the event that Vendor personnel are required by the state to travel away from the regularly assigned work location to perform related tasks, the state will, upon preapproval, reimburse the Vendor in accordance with the North Carolina state travel guidelines in Chapter 5 of the North Carolina Budget Manual, which can be found at: https://www.osbm.nc.gov/state-budget-manual.

SECTION 1: SCOPE STATEMENT SCHEDULE

Scope Statement Questions

Due Date: XX/XX/20XX
Time: 2:00 p.m. Eastern Time
Address: **Individual email address**
Instructions: Written questions will be received at **Individual email address** until date and time specified above. Please enter "Questions, Scope Statement # Agency contact number" as the subject for the email. Vendor will reference the scope statement section when submitting questions. Only written answers to submitted questions will constitute an official answer. The State will prepare responses to all written questions submitted as an addendum and shall provide via email to all Vendors on the eligibility list. Oral answers are not binding on the State.

Vendor contact regarding this Scope Statement with anyone other than Agency contact person name may be grounds for rejection of said Vendor's offer. Agency contact regarding this Scope Statement with any Vendor may be grounds for cancellation of this Scope Statement.

Scope Statement Submittal

Due Date: XX/XX/20XX
Time: 2:00 p.m. Eastern Time
Email Address: **Individual email address**
Instructions: The Vendor, by making an offer, expressly represents that the specifications herein have been read and understood, and that the offer complies with all aspects. Any change that is received after the due date and time, and that is not specifically solicited by the State, shall be rejected.

Firm Offer: Prices and any other entry made hereon by the Vendor shall be considered firm and not subject to change.

SECTION 2: PURPOSE AND BACKGROUND

[Give brief description of the purpose/ objective of the contract and requested services and describe how the services fit into the using agency's function or new initiatives that necessitate these services, issues needing to be resolved, other solutions tried in the past, etc. This section should allow potential Vendors to judge whether they are interested in this RFP.

Further describe the services required using narrative or outline as appropriate. Include, as appropriate, high-level information on tasks, schedule, deliverables, milestones, environmental or regulatory constraints, state interfaces, etc.].

SECTION 3: CONTRACT TERM

The contract shall have a term of Enter the months, years, etc., or until completion and acceptance by the State of all scope of work requirement, beginning on the date of contract award (the "Effective Date") [this may be added but in no event not longer than enter the months, years, if applicable. Or you can add renewal option is needed].

SECTION 4: POSSESSION AND REVIEW

During the evaluation period and prior to award, possession of the Scope Statements and accompanying information is limited to personnel of the issuing agency, and to the committee responsible for participating in the evaluation. Vendors who attempt to gain this privileged information, or to influence the evaluation process (i.e., assist in evaluation) will be in violation of purchasing rules and their offer will not be further evaluated or considered.

After award, the complete Scope Statement file will be available to any interested persons with the exception of trade secrets, test information or similar proprietary information as provided by statute and rule. Any proprietary or confidential information, which conforms to NC General Statue, 132-1.2 **must be clearly marked as such in the offer when submitted.**

SECTION 5: METHOD OF AWARD

Contract will be awarded based on best value (**this statement should be deleted when developing your quote: agency may change this if desired, but it is recommended to use best value since this is a quote for services).** Prospective Vendors shall not be discriminated against on the basis of any prohibited grounds as defined by Federal and State law.

Offers will be evaluated, and award made, based on the below factors listed in descending order of importance:

(This statement should be deleted when developing your quote: agency may change the evaluation criteria listed below if desired)

- Methodology for Completion of Work (Section 7e Scope of Work)
- Auditor Qualifications and Experience (Section 10 Personnel)
- Cost (Section 11)

While the intent of this Scope Statement is to award a Contract(s) to a single Vendor, the State reserves the right to make separate awards to different Vendors, to not award one or more-line items or to cancel this Scope Statement in its entirety without awarding a Contract, if it is considered to be most advantageous to the State to do so.

The status of a Vendor's e-Procurement Services account(s) shall be considered a relevant factor in determining whether to approve the award of a contract under this Scope Statement. Any Vendor with an E-Procurement Services account that is in arrears by 91 days or more at the time of proposal opening may, at the State's discretion, be disqualified from further evaluation or consideration.

The State reserves the right to waive any minor informality or technicality in proposals received.

SECTION 6: SCOPE STATEMENT EVALUATION PROCESS

All qualified proposals will be evaluated, and award will be made to the Vendor(s) determined by Agency name sole discretion to be the best value.

At their option, the evaluators may request oral presentations or discussion with any or all Vendors for the purpose of clarification or to amplify the materials presented in any part of the proposal. Vendors are cautioned, however, that the evaluators are not required to request presentations or other clarification—and often do not; therefore, all Scope Statement responses should be complete and reflect the most favorable terms available from the Vendor.

Vendors are cautioned that this is a request for offers, not an offer or request to contract, and the State reserves the unqualified right to reject any and all offers at any time if such rejection is deemed to be in the best interest of the State.

The State reserves the right to reject all original offers and request one or more of the Vendors submitting proposals to submit a best and final offer (BAFO), based on discussions and negotiations with the State, if the State determines in its sole discretion this is in their best interest.

SECTION 7: TECHNICAL SPECIFICATIONS

a. Outsourcing an entire audit project: Yes __ No ____

b. Service Category: Enter appropriate category as identify in STC #8411A

c. Location of Work: Enter address or define if some of the work can be performed remotely.

d. Invoicing:

Invoices will be submitted no more then monthly and must included the individual's name, job title, hourly rate, number of hours worked and total amount per person. The Vendor may submit an invoice the combines all hours by title (see section 11) but **must** provide other documents that support the combine hours, and this document must have the individual's name, associated hours and title as identify in Section 11. Agency name will withhold 10% of the contract to be paid upon final completions and acceptance of Vendors work.

e. Scope of Work:
Define the work to be performed and any deliverables required, be specific and provide enough information to allow the Vendors to fully understand the services you are needing.

SECTION 8: VENDOR CONTRACT ADMINISTRATORS

The Contract Administrators are the persons to whom all required notices shall be given and to whom all matters relating to the administration or interpretation of this Scope Statement shall be addressed. The Vendor shall designate a Primary Contract Administrator, who shall be the Vendor's primary contact with the Agency for all issues regarding this Contract and an Alternate Contract Administrator.

a. Vendor Primary Contract*:*
   i. Name and Title:
   ii. Telephone Number, office:
   iii. Address:
   iv. Email Address:
b. Vendor Secondary Contract Alternate Contact:
   i. Name and Title:
   ii. Telephone Number, office:
   iii. Address:
   iv. Email Address:
   v.

SECTION 9: METHODOLOGY FOR COMPLETION OF WORK

The Vendor should describe the approach and how the Vendor will accomplish the scope of work detailed above in Section 7.e. The vendor can use graphs or narratives to describe their approach and should include proposed timeline, milestones, or delivery dates for completion of services.

SECTION 10: PERSONNEL

In its proposal, the Vendor shall provide names, roles during audit engagement, qualifications, and experience of all current audit, accounting, managerial advisors, and data analytics personnel being submitted to meet the requirements of this Scope Statement. Personnel qualifications may include documentation citing educational background, experience with similar projects, and related certification, as well as the number of years of experience with each type of service category, as identified in the Section 5 Scope of Work, Audit Service Categories. Resumes may be provided to meet this requirement. Any staff changes must be approved by the soliciting agency.

Vendor warrants that qualified personnel shall provide Services under this Contract in a professional manner. "Professional manner" means that the personnel performing the Services will possess the skill and competence consistent with the prevailing business standards in the industry. Vendor will serve as the prime contractor under this Contract and shall be responsible for the performance and payment of all subcontractor(s) that may be approved by the State. Names of any third-party Vendors or subcontractors of Vendor may appear for purposes of convenience in Contract documents; and shall not limit Vendor's obligations hereunder. Vendor will retain executive representation for functional and technical expertise as needed in order to incorporate any work by third party subcontractor(s).

Should the Vendor's proposal result in an award, the Vendor shall be required to agree that it will not substitute key personnel assigned to the performance of the Contract without prior written approval by the Contract Lead. Vendor shall further agree that it will notify the Contract Lead of any desired substitution, including the name(s) and references of Vendor's recommended substitute personnel. The State will approve or disapprove the requested substitution in a timely manner. The State may, in its sole discretion, terminate the Services of any person providing Services under this Contract. Upon such termination, the State may request acceptable substitute personnel or terminate the contract Services provided by such personnel.

Vendor shall demonstrate experience with at least three (3) public and/or private sector clients, providing similar service as requested in this solicitation. The narrative must thoroughly describe the expertise and audit, accounting and managerial advisory services provided and the outcome identify to resolve the client need. Provide the name, address, phone number and email address of three (3) prior clients that may be contacted.

SECTION 11: COST (AND PROJECT HOURS)

Vendor must complete the information below. Failure to provide will result in rejection of Scope Statement.

Vendor shall offer a firm fixed price, all inclusive of labor, materials, general and administrative overhead, and profit. The total amount to be paid by Agency name under this Contract shall not exceed the amount as stated in the table below. The State does not guarantee a minimum or maximum number of hours.

Position	**Hourly Rate**	**Number of Staff** (full time equivalent)	**Number of Hours**	**Total ($) Amount** (Rate x Staff x Hours)
Staff	$			
Supervisor	$			
Executive	$			
Other Category _____				
	$			

For multiple types of services, copy the table above for each type of service category with the scope of work.

D. Vendor's Proposal

EISNERAMPER

8550 United Plaza Blvd.
Suite 1001
Baton Rouge, LA 70809
T 225.922.4600
F 225.922.4611
www.eisneramper.com

September 6, 2023

Melinda Y. Tomlinson
State Procurement Manager
State of North Carolina

Dear Ms. Tomlinson:

Since 1949, Postlethwaite & Netterville ("P&N") has proudly served its clients around the country. Our local team is happy to announce that on May 22, 2023, P&N combined with EisnerAmper, one of the Top 20 largest accounting firms in the United States. Our team is excited to continue providing our same level of exceptional quality and client service with our new combined firm of 4,000 experienced individuals ready to serve you and with the trusted name, EisnerAmper.

EisnerAmper (the "Firm" or "the EisnerAmper Team") is pleased to submit this informational letter to provide the State of North Carolina (hereinafter referred to as "the State" or "North Carolina") Supplemental Internal Audit, Accounting, Data Analytics and Managerial Advisory services. As a leader in providing internal audit, accounting, analytic and advisory services, EisnerAmper brings knowledge and experience that can assist you in successfully meeting your objectives. With our hands-on approach to serving clients, quality and timely service, and commitment to being responsive to your needs, EisnerAmper can help you accomplish your goals. The EisnerAmper Team offers you the following:

- Multi-disciplined team of internal auditors, analysts, accounting consultants, project managers and other professional resources that provide value-added services in a timely and efficient manner
- Firm with the breadth and depth of qualified professionals to perform the requested services, as needed and within the State's desired time frames
- Over 15 years of experience providing outsourced, co-sourced and staff augmentation internal audit engagements, conducted with a focus on adding value and improving operational processes

"EisnerAmper" is the brand name under which EisnerAmper LLP and Eisner Advisory Group LLC provide professional services. EisnerAmper LLP and Eisner Advisory Group LLC are independently owned firms that practice in an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations and professional standards. EisnerAmper LLP is a licensed CPA firm that provides attest services, and Eisner Advisory Group LLC and its subsidiary entities provide tax and business consulting services. Eisner Advisory Group LLC and its subsidiary entities are not licensed CPA firms.

- Experienced Certified Internal Auditors (CIA), Certified Information Systems Security Professional (CISSP), Certified Public Accountants (CPA), Certified Information Systems Auditors (CISA), Certified Fraud Examiners (CFE), and other credentialed staff
- Proven track record of successfully completing complex projects of similar size and scope to those the State may request
- A firm with the ability to quickly mobilize a team of qualified professionals to perform the necessary services
- An engagement team that is easily accessible to management
- Partners who take an active role in the engagement process by offering personal attention and proactive communications
- Constant awareness of and regard for project objectives, budget, timeline, and stakeholders
- Diversified client base and extensive experience serving more than 100 governmental entities
- Ability to add value through proven processes and best practices
- Depth and breadth of resources with the ability to offer a wide range of services that expand, contract, or shift as your needs change

Because of our depth of experience and resources, and our commitment to providing the services you are seeking in an efficient and effective manner, we believe we are well qualified to provide the services required by the State.

Unique Perspective for Internal Audit, Accounting, Analytic and Advisory Services

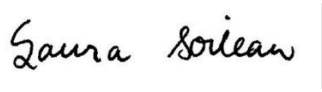
EisnerAmper has extensive experience providing internal audit, accounting consulting, analytic and advisory services. Our team has performed many simliar engagements, conducted with a focus on adding value. Our certified professionals review objectives and processes and provide feedback regarding the integrity of information, compliance with policies and regulations, safeguarding of assets, economical and efficient use of resources, and established goals and objectives.

EisnerAmper has a robust team of professionals, including more than 20 Certified Internal Auditors (CIA) and Certified Information Systems Auditors (CISA). In addition to CIA and CISA credentials, proposed engagement leadership have also obtained CPA, CFE, CRMA, CGMA, CCSFP, CDPSE, CPSO, PMO, CSM, CAMS and CGI certifications.

We are happy about this opportunity to serve the State. We look forward to answering any questions or providing additional information.

Sincerely,

EisnerAmper



Laura Soileau, CPA, CIA, CFE, CISA
Partner

4.4 Vendor Experience

Governmental Experience

With over 100 governmental entities as clients and more than 80 professionals with governmental training and experience, EisnerAmper's Governmental Group is one of our largest practice areas. Governmental entities have a unique set of challenges that requires professionals with specific training and experience in the governmental industry. With numerous governmental entities as clients and dedicated professionals with governmental experience and training, EisnerAmper is committed to serving our public sector clients.

Our clients include:



The EisnerAmper Team has served the needs of governmental entities for over 40 years.

The professionals that will be assigned to your engagement have experience with clients in the governmental sector. *We serve state agencies, county/parish governments, cities, municipalities, school districts, institutions of higher education, and more.* This extensive and diverse experience affords us the ability to combine an understanding of public sector operations and accountability with an objective, independent viewpoint on the projects we undertake.

Furthermore, the EisnerAmper Internal Audit Group has a depth of experience with designing and auditing processes and controls of state agencies, municipalities, and local governments. EisnerAmper has assisted internal audit functions of multiple state and local governments in a variety of capacities, including performing internal audit quality assurance reviews, internal audit outsourcing and co-sourcing and evaluation of a state agency internal audit function to make best practice recommendations for consideration in alignment with The Institute of Internal Auditors (The IIA's) International Standards for the Professional Practice of Internal Auditing (*Standards)*. **EisnerAmper has provided similar services to more than fifteen (15) clients on an outsourced or co-sourced basis, spanning multiple years. Additionally, we have been engaged for multiple projects with many of these clients.**

Experience with the State of North Carolina

The EisnerAmper Team has a demonstrated history of a successful professional working relationship with the State of North Carolina. The following summarizes the work the EisnerAmper Team has performed for the State:

North Carolina Entity and Project	Description of Work Performed by the EisnerAmper Team
North Carolina Office of Recovery and Resiliency Emergency Rental Assistance Program	The EisnerAmper Team was responsible for processing disbursements along with providing some tax assistance for the program.
ReBuild North Carolina, North Carolina Office of Recovery & Resilience	The EisnerAmper Team is assisting the North Carolina Office of Recovery & Resilience as a subcontractor to manage the funds disbursement of the state-wide recovery program to rebuild houses affected by hurricanes.

Internal Audit Experience

Internal audit is a vital part of the State's sustainability and is critical to your success. **Internal audits look beyond financial statements and consider a wide range of organizational risks and issues such as fraud risks, compliance with regulatory requirements, and IT risks.** EisnerAmper's Internal Audit Team provides independent assurance that your organization's risk management, governance and internal control processes are designed, implemented and operating effectively. **EisnerAmper has provided outsourced and co-sourced interal audit services for over fifteen (15) years in a variety of industries.**

EisnerAmper has a robust team of control and risk advisory professionals, including more than 20 Certified Internal Auditors (CIA).

Our certified professionals assess your current practices and provide feedback regarding the integrity of information, policy and regulation compliance, safeguarding of assets, economical and efficient use of resources and established goals and objectives. **Our team is proactive in identifying issues and opportunities to strengthen existing controls, identifying recommendations for new controls, or recommending procedural changes to your risk profile so you can reach your objectives.**

While our approach can be more traditional in nature for some engagements, we encourage clients to consider an enterprise risk management approach. EisnerAmper's internal audit approach focuses on evaluating risk management and identifying recommendations for improvement in the effectiveness and efficiency of operations and key processes.

Leadership in the Profession

We believe in providing leadership and active participation where the policies and standards are being set rather than learning about changes after the decisions have been made. This commitment to the profession has helped us better serve our clients and their interests.

Our employees are heavily involved with The IIA at both a global and national level. The Lead Partner for this project, Laura Soileau, previously served on The IIA's Global Board of Directors and as Chairman of The IIA's North American Board of Directors.

Environmental, Social, and Governance

At EisnerAmper, we bring a unique perspective to internal audits based on our expertise formed in multiple disciplines. We remain apprised of industry trends and emerging risks and respond by incorporating them into our approach and service offerings. Our firm provides services relating to Environmental, Social, and Governance (ESG) for a wide range of clients. These services include ESG internal audits, and are tailored to the unique risks, stakeholder engagement, and where applicable, reporting requirements.

Past Performance

Louisiana Department of Education Forensic Services

The EisnerAmper Team recently provided forensic and investigative services related to an alleged employee funds misappropriation for the Louisiana Department of Education. As part of the investigation, EisnerAmper provided the following services:

- Obtained and examined documentation related to the incident and areas of responsibility associated with the suspected perpetrator.
- Conducted interviews to gain an understanding of the facts and circumstances.
- Assessed the ability to perform data analytics to further identify areas of fraud concerns, based on available data.
- Compiled, documented, and reported the results of the forensic investigation.
- Made recommendations for additional internal controls to assist in preventing and detecting fraud related to the areas of concern based on the results of the investigation.

Louisiana Board of Regents

The EisnerAmper Team serves as the outsourced internal audit function for Louisiana Board of Regents, performing all related duties in accordance with The Institute of Internal Auditors (the IIA) Standards, the Code of Ethics contained in the Professional Practices Framework as promulgated by The IIA, and generally accepted auditing standards.

The EisnerAmper Team conducts an annual internal audit risk assessment, reviews of processes for select areas to identify key controls and potential control gaps, provides recommendations for control enhancements, and reports regularly to the Audit Committee on the results of our work.

Louisiana Department of Education Grant Assessment Services

Coronavirus dramatically impacted early childcare providers, resulting in a national need to stabilize the market by providing childcare providers with coronavirus relief funds to ensure childcare providers could stay open and continue to provide services to families. Since June of 2021, the EisnerAmper Team has supported and continues to support the Louisiana Department of Education (the Department) with grant assessment services for childcare providers receiving coronavirus relief funds, with a focus on utilization of the funds in accordance with COVID mandates.

Specifically, our work includes the following:

- Developed a risk assessment methodology and process to collect information from childcare centers to gain an understanding of grant funds expended. This included the development of risk assessment criteria, distribution of electronic surveys/questionnaires, and collection of documentation to aid in the sample selection for grant assessments.
- Based on the results of the risk assessment, in collaboration with Department management, the sample selection considered factors such as childcare center size, grant dollars awarded and expended.
- Collaborated with Department management to develop consistent procedures for conducting grants assessments. Examples of procedures included:
    - Confirmed the childcare center met eligibility requirements for the applicable grant round
    - Verified that funds received through grants administered by the Department were expended for eligible purposes (e.g., staff salaries, supplies, rent, utilities)

- Evaluated expenditures reported by the childcare center for potential duplication of benefits across grant rounds
- Determined the percentage of grant funds expended by the childcare center

- Communicated with childcare centers to obtain relevant supporting documentation for the eligible use of grant funds.
- As necessary, recommend forensic audit procedures related to specific childcare center grant assessment findings.
- As needed, assisted Department management with the process to prosecute, litigate, or recover funds.
- Based on the results of the grant assessments, collaborated with Department management to further refine grant administration processes and procedures and make recommendations for additional internal controls to assist in preventing and detecting fraud related to areas of fraud concern.

Caddo Parish

The EisnerAmper Team serves as the outsourced internal audit function for the Parish of Caddo. The EisnerAmper Team conducts an annual internal audit risk assessment, review of processes for select areas to identify key controls and potential control gaps, provide recommendations for control enhancements, report regularly to the Audit Committee on the results of our work.

University of Texas System Administration

a. Wireless Networks Audit

EisnerAmper assessed and tested the effectiveness of controls protecting the UT System public and private wireless networks, and data traversing those networks. EisnerAmper provided technical expertise to evaluate compliance with applicable Federal and State regulations, and with applicable UT System policies. As part of the internal audit, EisnerAmper assessed the following:

- Suitability of wireless network hardware configurations to obtain reasonable assurance that organization goals were being met;
- Suitability of change management processes with respect to wireless networks, including patch management;
- Appropriateness of wireless network encryption;
- Appropriateness of network authentication technology and public network usage;

- Suitability of wireless network intrusion detection and response technologies and processes;
- Wireless network traffic and capacity management and monitoring processes; and
- Effectiveness of governance pertaining to the wireless network.

A variety of technical reviews and tests such as the Wireless Network Site Survey and Technical Evaluation, Wireless Network Configuration Reviews and Technical Wireless Network Security Reviews were used to evaluate the effectiveness of the identified controls. Each of these tests were mapped to specific risks, control objectives and best practices to determine where opportunities may exist.

b. Backup and Recovery Audit

EisnerAmper performed an internal audit of Backup Operations and Recovery Planning for UT System Administration. EisnerAmper was selected to assess the design and test the effectiveness of backup operations and recovery planning for select systems, services and infrastructure managed by the Shared Information Services (SIS) group of UT System Administration. Utilizing HITRUST and NIST, EisnerAmper evaluated the ability of SIS to adequately recover from any type of disruption that would cause the activation of recovery plans. Additionally, EisnerAmper evaluated compliance with applicable Federal and State regulations and UT System Administration policies including Texas Administrative Code Chapter Security Control Standards, UT Systemwide Policy 165: Information Resources Use and Security standards, and Health Insurance Portability and Accountability Act (HIPAA) Security Rule standards.

Accounting Consulting Experience

The Accounting Consulting Services team focuses on an array of project-based accounting topics, the majority of which focus on people (capacity challenges, outsourcing, co-sourcing), process (design, best practices, innovations) and systems. The Accounting Consulting Services team has extensive experience providing services to governmental or governmental-aligned organizations. Some examples of services we have provided include support of processes related to annual comprehensive financial reporting, trial balance preparation, GASB Implementation, month end accounting reconciliation, system of record reconciliations to accounting records, general accounting transactions, cash management, operational support, project management, and staff augmentation when allowed by state or federal guidelines. This team also has experience in supporting projects related to grants management and lease accounting. Examples of project work for governmental or governmental-aligned organizations are as follows:

Organization	Description of Work
Louisiana Department of Education	The EisnerAmper Team provides professional services related to administration of Louisiana Emergency Assistance for Non-Public Schools (EANS) Program to address impact of COVID-19. This included development of processes and various reporting requests from the state for EANS and ESSER funding.
Louisiana Department of Education	The EisnerAmper Team provides professional services to assist with budgeting and reporting of Child Care Development Funds (CCDF) for the Childcare and Development Block Grant and professional services related to CCAP.
Louisiana Remote Sellers	The EisnerAmper Team provides Accounting Consulting services to the State of Louisiana, Sales and Use Tax Commission for Remote Sellers. Services provided are like the scope requested by the State of North Carolina.

Managerial Advisory Experience

EisnerAmper brings a unique perspective to managing projects by combining a deep understanding of governmental operations with powerful technical resources and a team of experienced project managers. We understand that the success of initiatives is highly dependent on the activities that take place before the project.

Areas of Focus:

- **Scope**
- **Budget**
- **Schedule**
- **Quality**
- **Communication**
- **Risk**
- **Procurement**
- **Stakeholders**
- **Integration**

Advisory Management Services include:

- Outsourced project management roles (project managers, facilitators, etc.)
- Project management reviews and assessments
- Software development
- Systems implementations and conversions/upgrades
- New product launches
- Disbursements for class action lawsuits
- Business process (re)design and engineering
- Implementation of strategic initiatives

Project Experience

CLIENT	BRIEF DESCRIPTION OF SERVICES PROVIDED
State of Louisiana, Governor's Office of Homeland Security & Emergency Preparedness – Closeout of Stafford Act and National Flood Insurance Act	GOHSEP facilitates FEMA grant programs administered under the National Flood Insurance Act (NFIA) and the Robert T. Stafford Disaster Relief and Emergency Assistance Act ("Stafford Act") in connection with 11 federally declared open disasters, including Hurricanes Katrina, Rita, Gustav and Isaac, and any subsequent presidentially declared disasters. As a subcontractor, the EisnerAmper Team reviews grants for compliance with federal law, regulations, and policy; performs accounting and auditing tasks, assuring that all federal funds have been accounted for in each subrecipient's projects; upon discovering deficiencies within a subrecipient's projects, suggests and initiates corrective action within the identified timeframe, as directed by GOHSEP; conducts audits to improve practices and promote effectiveness; and provides guidance to applicants in the reimbursement request process. *Relevance:* The EisnerAmper Team served in the following roles for this engagement: Project Management, Business Analyst, Records and Information Management, Trainer

CLIENT	BRIEF DESCRIPTION OF SERVICES PROVIDED
State of Louisiana, Division of Administration, Office of Community Development, Restore Louisiana Program  	The Department of Housing and Urban Development (HUD) has allocated funding to assist in Louisiana's long-term recovery from the severe flooding that occurred throughout much of the state in March and August of 2016 and 2020-2021 Storms. The funding for The Restore Louisiana Homeowner Assistance Program is allocated out of HUD's Community Development Block Grant Disaster Recovery (CDBG-DR) Program. As a subcontractor to the Program Manager, the EisnerAmper Team is involved in several phases of the Program, including Financial Management, Case Management, Verification of Benefits and Eligibility Review, Training, Damage Assessment and Reporting. The EisnerAmper Team utilizes a variety of reporting tools that provide timely and valuable information, which enables leadership to execute strategic decisions throughout the life of the Program. *Relevance:* The EisnerAmper Team served in the following roles for this engagement: Project Management, Business Analyst, Records and Information Management, Trainer, IT Tester, Quality Assurance
Louisiana Department of Children and Family Services (DCFS)  	The mission of the Louisiana Department of Children and Family Services (DCFS) is to keep children safe, help individuals and families become self-sufficient, and provide safe refuge during disasters. The EisnerAmper Team was selected to provide independent quality assurance, quality control, implementation monitoring, and system testing services for the Child Welfare System Development Project (CWSDP), the Integrated Eligibility system implementation project, and other projects as needed. Leveraging Agile software development methodology and practices and working collaboratively with DCFS and the Office of Technology Services (OTS), P&N's team provides independent verification and validation of the Design, Development and Implementation (DDI) contractor's work on the CWSDP. The EisnerAmper Team's also provided independent verification and validation of the DDI contractor's work, user interface testing support, end user training, and organizational change management support on the Integrated Eligibility project. *Environments Supported:* QA Test, UAT, Production *Relevance:* The EisnerAmper Team served in the following roles for this engagement: Project Management, Scrum Master, IT Tester, Support Services Program Manager, Support Services Program Specialist

Data Analytics Experience

At EisnerAmper, we know that organizations struggle with obtaining meaningful information from their data. That is why we help make difficult decisions easier by providing high quality, readily accessible and up-to-date data to all levels of your organization. Our team combines practical technology and proven methods to create a data experience that is best for your business.

We can help you transition from...	
Unleveraged data to	visible and actionable data
Data silos to	a unified data governance plan
Stale information to	timely, accurate and trusted data
Limited reporting to	non-restrictive reporting
Slow reporting to	instantaneous reports and dashboards
Complex reports to	easy-to-understand visualizations
Gut-based decisions to	data strategy aligned with organization strategy

Service Offerings

- Custom reports
- Dashboards
- Scorecards
- Key performance indicator (KPI) selection assistance
- BI health checks
- Data strategy
- Predictive analytics
- Data integration and interoperability
- Data security
- Reporting tool selection
- Data governance

Project Experience

CLIENT	BRIEF DESCRIPTION OF SERVICES PROVIDED
Louisiana Department of Education – Teacher Certification Program	The Louisiana Department of Education Office of Teacher and Learning is responsible for managing the Educator Certification Portal. They review all educator applications and issue certifications when necessary qualifications are met. The EisnerAmper Team is engaged to assist in application reviews to reduce the state's backlog of pending educator applications and to help develop a plan to prevent a future backlog. The EisnerAmper Team has documented policy, procedures, and training to recommend changes to improve efficiency. A data and advanced technology assessment revealed the need for improved reporting and automation within the application review process. The data assessment helped reveal seasonality in the number of applications submitted, comparative denial rates based on application type, and predictable fluctuations in the review team's production. Salesforce reports and dashboards were created that allowed LDOE to better track progress, set goals, and allocate applications to reviewers. The EisnerAmper Team also built a "first line

CLIENT	BRIEF DESCRIPTION OF SERVICES PROVIDED
	review" automation tool that triages new applications into queues indicating whether it was submitted incorrectly and why. Automating the detection of common application errors lowered the average time spent reviewing each application. *Environments Supported:* Data Analysis, Development, QA Test, Project Management *Relevance:* The EisnerAmper Team served in the following roles for this engagement: Project Management, Application Design, Program Review, Application Development, Data Storyteller, Data Scientist, Data Analyst, Production Support.
Louisiana Department of Education – Emergency Assistance to Non-Public School (EANS) Program	The Louisiana Department of Education Emergency Assistance to Non-Public Schools and American Rescue Plan Emergency Assistance to Non-Public Schools Programs aim to procure essential assistance for schools in order to facilitate the changes to educational environments in a covid and post-covid environment. The EisnerAmper Team has partnered with the Louisiana Department of Education to administer the funds available as part of each grant program. The program has required development of programs, reporting, and processes surrounding application intake, application review, data integration, data conversion, program reporting, and federal financial reporting. *Environments Supported:* Data Analysis, Development, QA Test, Project Management *Relevance:* The EisnerAmper Team served in the following roles for this engagement: Project Management, Application Design, Application Development, Data Storyteller, Data Scientist, Data Analyst, Data Architect, Data Engineer, Data Program Manager, Production Support.
Louisiana Department of Treasury: Main Street Recovery Program	The EisnerAmper Team was engaged with the Louisiana Department of Treasury to serve as the program administrator for the state's Main Street Recovery Program (MSRP), through which $262 million was distributed to Louisiana small businesses for eligible expenses related to the COVID-19 pandemic. The EisnerAmper Team was engaged to provide a multitude of services for MSRP. The Reporting and Analytics team provided valuable insights and efficiencies throughout the review and execution of the program. Data integration, validation, and visualization tools developed in a centralized location allowed for the development of dashboards providing key performance metrics such as application volume and dollar amounts, as well as functional area metrics such as Grant Review eligibility percentages and distribution of the entire applicant pool. Data validation tools were also created to assist reviewers complete their tasks in an expedited manner by consolidating information from multiple systems into a simple review page. *Environments Supported:* Data Analysis, Development, QA Test, Project Management *Relevance:* The EisnerAmper Team served in the following roles for this engagement: Project Management, Application Design, Application Development, Data Storyteller, Data Analyst, Data Architect, Data Engineer, Data Scientist, Data Program Manager, Production Support.

About EisnerAmper

EisnerAmper, one of the largest business consulting firms in the world, is comprised of EisnerAmper LLP, a licensed independent CPA firm that provides client attest services founded in 1963; and Eisner Advisory Group LLC, an alternative practice structure that provides business advisory and non-attest services in accordance with all applicable laws, regulations, standards and codes of conduct. Requested services will be provided by Eisner Advisory Group and its subsidiary, EAG Gulf Coast LLC, which includes the recent combination with Postlethwaite & Netterville, APAC.



Our clients are in all business sectors and leverage a complete menu of service offerings, including advisory, accounting, tax and outsourcing.

Our professionals are passionate about helping clients grow and offering them tailored services every step of the way to help them reach their goals. Our firm structure allows us to provide the flexibility and personalized approach of a small firm, together with the wide variety of resources, leading-edge technology and integrated expertise of a multinational firm.

For six consecutive years, the Firm has received the **Best of Accounting** award from ClearlyRated for excellence in client service. The Best of Accounting designation is the only award program that recognizes service excellence for accounting firms based on ratings provided exclusively by clients.

P&N History



P&N was founded in 1949 by Alexander Postlethwaite. Through its 74 years of service, P&N's clients grew and our firm and the professional services we offer expanded. P&N was the largest Louisiana-based accounting and business consulting firm and one of the top firms in the Gulf Coast region. ***On May 22, 2023, P&N joined EisnerAmper.***

4.5 References

The key personnel assigned to your engagement have extensive experience in leading projects similar in size, scope, and function to this RFP. We believe that our team's experience working with governmental entities, combined with our approach explained in this proposal provides our project team with the insight and knowledge to be able to successfully meet your requirements for this engagement and add value to your operations.

The quality of services rendered by any professional services firm is highly dependent upon the individuals providing the services. Therefore, our professional qualifications and service capabilities should be of primary importance to you in your selection process. We can think of no better way to support our claims than to provide you with references of key management personnel at some of our existing or recent clients for whom we have performed similar services. We invite you to make inquiries of the following clients to obtain their views about EisnerAmper.

The following are relevant examples of engagements currently performed by the EisnerAmper Team:

Louisiana Board of Regents

- Project Year and Duration: March 2018 – Present
- Location: Baton Rouge, Louisiana
- Nature of Services Rendered: The EisnerAmper Team is engaged to provide outsourced internal audit services, including the facilitation of an annual risk assessment, development of the risk based internal audit plan, and execution of audits from the annual risk based internal audit plan.
- Contact Name: T. Jay Seale, Member, Board of Regents; Chair, Audit Committee
- Contact Details: 200 N. Cate St., Hammond, LA, 70404; (985)542-8500 (office); (985) 542-4111 (fax); tjseale@sealeross.com

The Parish of Caddo

- Project Year and Duration: August 2018 – Present
- Location: Shreveport, LA
- Nature of Services Rendered: The EisnerAmper Team is engaged to provide outsourced internal audit services, including the facilitation of an annual risk assessment, development of the risk based internal audit plan, and execution of audits from the annual risk based internal audit plan.
- Contact Name: Erica Bryant, Parish Administrator
- Contact Details: 505 Travis St., Suite 840, Shreveport, LA 71163; (318) 226-6920 (office); (318) 469-7609 (fax), ebryant@caddo.org

The University of Texas System Administration

- Project Year and Duration: 2016 – Present
- Location: State of Texas
- Nature of Services Rendered: The EisnerAmper Team is engaged to provide outsourced internal audit and IT internal audit services, including Wireless Network Audits, IT Audit for Non-IT Auditors Training and Governance and Management of Shared Systems, Services, and Infrastructure.
- Contact Name: Dyan Hudson, Director, Specialty Audit Services
- Contact Details: 210 West 7th Street Austin, TX 78701; (512) 499-4283; dhudson@utsystem.edu

The University of Texas at Austin

- Location: State of Texas
- Nature of Services Rendered: The EisnerAmper Team currently serves as the IT Audit co-source partner for UT Austin. Our team has been working with UT Austin's Data Management Officer to understand the data governance opportunities at the institution and establish a formal data governance program for the university.
- Contact Name: Sandy Jansen, Chief Audit Executive
- Contact Details: 1616 Guadalupe St., Suite 2.302, Austin, Texas 78701; (512) 471-7117; Sandy.Jansen@austin.utexas.edu

The Louisiana Department of Education, Grant Assessments

- Project Year and Duration: 2021– Present
- Location: Baton rouge, LA
- Nature of Services Rendered: The EisnerAmper Team has supported and continues to support the Louisiana Department of Education (the Department) with grant assessment services for childcare providers receiving coronavirus relief funds, with a focus on utilization of the funds in accordance with COVID mandates.
- Contact Name: Melinda George, Louisiana Department of Education
- Contact Details: 1201 North Third Street, Baton Rouge, LA 70802; (225) 250-7635; Melinda.George@LA.GOV

The Louisiana Department of Education, EANS

- Location: Baton rouge, LA
- Nature of Services Rendered: Professional services related to administration of Louisiana Emergency Assistance for Non-Public Schools (EANS) Program to address impact of COVID-19.
- Contact Name: Bernell Cook, Executive Director of Federal Support and Grantee Relations
- Contact Details: (225) 342-1050; Bernell.cook@la.gov

The Louisiana Department of Education, CCDF

- Location: Baton rouge, LA
- Nature of Services Rendered: Professional services to assist with budgeting and reporting of Child Care Development Funds (CCDF) for the Childcare and Development Block Grant. And professional services related to CCAP.
- Contact Name: Kim Nesmith, Director of Administrative Affairs and Child Care Development Fund Administrator
- Contact Details: Kim.nesmith@la.gov

Louisiana Remote Sellers

- Location: Baton rouge, LA
- Nature of Services Rendered: The EisnerAmper Team provides Accounting Consulting services to the State of Louisiana, Sales and Use Tax Commission for Remote Sellers. Services provided are similar to the scope requested by the State of North Carolina.
- Contact Name: Renée Ellender Roberie, Executive Director
- Contact Details: (225) 219 -7051; Renee.Roberie@la.gov

4.6 Legal Right to Practice in North Carolina

We confirm that we are licensed to do business with the State of North Carolina. The following pages show that we are registered and in good standing with the State.

• File an Annual Report/Amend an Annual Report • Upload a PDF Filing • Order a Document Online • Add Entity to My Email Notification List • View Filings • Print a Pre-Populated Annual Report form • Print an Amended a Annual Report form

Limited Liability Company

Legal Name
EAG GULF COAST, LLC

Information

SosId: 2695502
Status: Current-Active ⓘ
Date Formed: 8/28/2023
Citizenship: Foreign
State of Incorporation: DE
Annual Report Due Date: April 15th
Current **Annual Report Status:**
Registered Agent: Corporation Service Company

Addresses

Reg Office
2626 Glenwood Ave Ste 550
Raleigh, NC 27608

Reg Mailing
2626 Glenwood Ave Ste 550
Raleigh, NC 27608

Mailing
8550 United Plaza Boulevard, Suite 1001
Baton Rouge, LA 70809-2256

Principal Office
8550 United Plaza Boulevard, Suite 1001
Baton Rouge, LA 70809-2256

Company Officials

All LLCs are managed by their managers pursuant to N.C.G.S. 57D-3-20.

Chief Financial Officer
Korhan Kivanc
733 Third Avenue
New York NY 10017-3204

Secretary
Shari Savitt
733 Third Avenue
New York NY 10017-3204

Chief Executive Officer
Charles Weinstein
733 Third Avenue
New York NY 10017-3204

4.7 External Reviews and Regulatory Action

EisnerAmper and our predecessor firm, P&N, have successfully completed multiple peer reviews, a process whereby we have opened our Firm to extensive review by another CPA firm. We are proud that all of our reviews have resulted in a rating of "Pass," the highest possible rating. Due to the positive result of the review, no letter of comments or Firm response was necessary.

P&N's review included a review of specific governmental engagements.

Our most recently completed peer review reports are included on the following pages.

weaver
Assurance • Tax • Advisory

Report on the Firm's System of Quality Control

February 17, 2023

To the Partners of EisnerAmper LLP and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice applicable to engagements not subject to PCAOB permanent inspection of EisnerAmper LLP (the firm) in effect for the year ended August 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

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

Firm's Responsibility

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

Peer Reviewer's Responsibility

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

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act; audits of employee benefit plans; and examinations of service organizations (a SOC 1® and SOC 2® engagement)

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

Opinion

In our opinion, the system of quality control applicable to engagements not subject to PCAOB permanent inspection for the accounting and auditing practice of EisnerAmper LLP in effect for the year ended August 31, 2022, 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*. EisnerAmper LLP has received a peer review rating of *pass*.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Weaver and Tidwell, L.L.P.
9311 San Pedro Avenue, Suite 1400 | San Antonio, Texas 78216
Main: 210.737.1042
CPAs AND ADVISORS | WEAVER.COM



Report on the Firm's System of Quality Control

September 30, 2022

To the Directors of Postlethwaite & Netterville
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Postlethwaite & Netterville (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

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

Firm's Responsibility

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

Peer Reviewer's Responsibility

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

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans; an audit performed under FDICIA; and an examination of a service organization (SOC 1).

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

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Postlethwaite & Netterville applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2022, 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*. Postlethwaite & Netterville has received a peer review rating of *pass*.



Eide Bailly LLP
Minneapolis, Minnesota

4.8 Financial Statement

EisnerAmper has a long-standing history in the accounting and advisory profession. Through the years, as our clients have grown, our firm and the professional services we offer have also expanded. We are now one of the top 20 accounting and business consulting firms in the country. We believe our 73-year history, national ranking, and depth of team demonstrates our financial stability and commitment to clients.

A copy of our available financial statements, which include our summary balance and income statement from for the third quarter ending April 30, 2023 and 2022, can be found on the following pages.

Eisner Advisory Group, LLC and Subsidiaries

Consolidated Balance Sheet
(in thousands)

	April 30, 2023	April 30, 2022
Assets		
Current assets		
Cash and cash equivalents	$ 141,779	$ 24,486
Accounts receivable, net	142,945	106,133
Revenue recognized in excess of billings, net	109,666	57,138
Prepaid expenses and other current assets	12,430	6,211
Total current assets	406,820	193,968
Property and equipment, net	53,957	51,966
Goodwill and other intangible assets, net	527,293	496,082
Interest rate swap contracts	19,047	13,993
Other non-current assets	1,680	485
Total assets	**$ 1,008,797**	**$ 756,494**
Liabilities and shareholder's equity		
Current liabilities		
Accounts payable	$ 4,955	$ 1,426
Accrued liabilities	59,519	49,570
Future services liability, net	46,978	38,180
Lease liabilities, current portion	1,154	1,026
Current portion of long-term debt	7,400	4,400
Total current liabilities	120,006	94,602
Long-term debt, net of current portion and deferred financing fees	692,896	425,705
Lease liabilities, non-current portion	2,026	-
Other non-current liabilities	275	-
Total liabilities	**815,203**	**520,307**
Total shareholder's equity	**193,594**	**236,187**
Total liabilities and shareholder's equity	**$ 1,008,797**	**$ 756,494**

Eisner Advisory Group, LLC and Subsidiaries

Consolidated Statement of Operations
(in thousands)

	Nine Months Ended April 30,	
	2023	**2022**
Revenue	**$ 591,655**	**$ 418,762**
Operating expenses		
Direct cost of revenues	358,899	253,253
Selling, general and administrative expenses	157,399	100,129
	516,298	353,382
Operating income (loss)	**75,357**	**65,380**
Other income (expense)		
Income (loss) from unconsolidated subsidiaries	1	1,252
	1	1,252
Earnings before interest, taxes, depreciation and amortization	**$ 75,358**	**$ 66,632**

4.9 Cost Proposal

Pricing Methodology

We believe that building and maintaining a long-term relationship with the State includes providing high-quality services at fair and competitive fees. A differentiating factor the EisnerAmper Team has had among many competitors is the value we can bring to our clients through quality resources at an attractive pricing model. We are pleased to provide the State with this combination of highly experienced professionals at affordable rates.

Hourly Rate Structure by Level and Position

The fee structure for services provided in the proposal related to internal audit and consulting services, including specialty services proposed for the State, will be based on the resource's respective level, and coinciding hourly rate as listed in the table below. Fee estimates will be discussed and agreed with the State prior to the commencement of each engagement.

Personnel Classification	Rate Range
Internal Audit Services*	
Internal Auditor	$125 - $175
Internal Audit Supervisor	$175 - $265
Internal Audit Executive	$350 - $475
Accounting Services	
Accounting Staff	$125 - $175
Accounting Supervisor	$175 - $300
Accounting Executive	$350 - $475
Managerial Advisory Service	
Advisory Staff	$125 - $175
Advisory Supervisor	$175 - $265
Advisory Executive	$350 - $475
Data Analytics Service	
Data Analytic Staff	$145 - $250
Data Analytic Supervisor	$250 - $325
Data Analytic Executive	$325 - $475
Data Analytic Other Professional Staff	$225 - $325

**Please note we are not proposing to provide financial statement audits.*

Actual fees will be based on the hours worked by class level of personnel performing the work multiplied by the rate of that class level. We will bill monthly for actual hours incurred, not to exceed the total professional fee for the engagement without your consent.

Direct Expenses – Travel

Our team is flexible to deliver all proposed services either remotely or through a hybrid approach of in-person visits and virtual meetings. For in-person meetings, we will work with you to add an approved travel budget.

Fees: The Bottom Line

We believe our professional fees represent a fair and accurate estimate of the services outlined in our proposal. **If you feel that our hourly rates and fees are not competitive, we welcome the opportunity to discuss and provide a best and final offer for consideration.**

5.4 Project Staffing

We recognize that the success of our clients depends upon the quality and commitment of the EisnerAmper team members that serve and guide them through engagement execution. EisnerAmper offers the State professionals with the appropriate experience. We realize that our upper management has the greatest experience and should work directly with the State in order to be effective and provide opportunities for value-added services. Active participation and involvement by these professionals are what *differentiates* our firm.

The following professionals represent our key leadership team that will be utilized for the services outlined in this proposal. Full resumes for these professionals are included in **the pages to follow**.

Team Member	Engagement Role
Laura Soileau, CPA, CIA, CISA, CFE, CRMA, CGMA	Engagement Lead Partner, Internal Audit Executive
Paul C. Douglas, CISA, CCSFP, CDPSE	IT Internal Audit Executive
Katherine Torres, CIA	Accounting Services Executive
Josh Dicharry, PMP, CSPO	Managerial and Data Analytics Executive
Tom Friou, CPA	Accounting Services Supervisor
Katherine Clements, PMP, CSM	Managerial Supervisor
Nina Kelleher, CIA, CAMS, CRMA, CGI	Internal Audit Executive
Jerry Ravi, CPA, CISA	Internal Audit Executive
Jason Juliano	Managerial and Data Analytics Executive



Laura Soileau, CPA, CIA, CISA, CFE, CRMA, CGMA, is a Partner in the EisnerAmper Consulting Services Group. With over 20 years of professional experience, Laura has extensive experience in all aspects of internal audit, including leading internal controls assessments; developing annual risk assessments for financial, operational and technology audits; coordinating with external auditors; overseeing the execution of audit plans; and communicating the results of audits to senior management and audit committees. She has worked with numerous governmental entities. *Laura will serve as your Engagement Partner and Internal Audit Executive.*



Paul C. Douglas, CISA, CCSFP, CDPSE, is a Partner and Leader of EisnerAmper's IT Audit Services. Paul has gained experience with Disaster Recovery and Backup over the years through his involvement in the profession and overseeing EisnerAmper's IT risk advisory services. He has led numerous IT risk advisory, data privacy and security strategy, and IT compliance assessments, many similar Institutions. *Paul will serve as your IT Internal Audit Executive.*



Katherine Torres, CIA, is a Partner in EisnerAmper's Consulting Services Group. At EisnerAmper, Katherine's practice area includes delivering outsourced business services to a variety of organizations. With over fifteen years of consulting experience, Katherine has provided a variety of consulting services centered on creating and measuring value, understanding and mitigating risk, optimizing processes and resources, and designing workable solutions to complex problems. She has experience leading projects related to business valuations, lost profits analysis, due diligence support, internal audit, strategic planning, and outsourcing. *Katherine will serve as your Accounting Services Executive.*



Joshua Dicharry, PMP, CSPO, is a Partner in EisnerAmper's Consulting Services Group, based in Baton Rouge. Josh has been with the firm since 2012 and has over 15 years of experience providing project management and business analysis to government agencies, non-profits, and various private companies. Josh is a leader in EisnerAmper's Business Transformation Services team with a specialization in Application Development, IT Project Management, and Business Intelligence service area. *Josh will serve as your Managerial and Data Analytics Executive.*



Nina Kelleher, CIA, CAMS, CRMA, CGI is a Partner and is the National Practice leader for EisnerAmper Digital's Risk Advisory services, with more than 15 years in the risk and regulatory space. Nina leads the groups internal audit, governance, risk and regulatory compliance services, and is also the national leader of the Special Purpose Acquisition Companies ("SPAC") services. With a keen focus on business process and internal controls, Nina maintains client risk postures using innovative techniques such as process automation and enterprise risk management tools. *Nina will serve an Internal Audit Executive.*



Jerry Ravi, CPA, CISA, is a Partner and the National Practice Leader of EisnerAmper Digital. Jerry has nearly 20 years of consulting, technology and audit experience, with a unique ability to bring clarity and forward movement to the decision-making process. Combining advisory, facilitation and coaching, his work results in growth-oriented risk management programs that are aligned with overall corporate strategy. Jerry's overall goal and credo is to help clients enhance their business performance, translating risk and compliance into opportunities. *Jerry will serve as an Internal Audit Executive.*



Jason Juliano is a Director within EisnerAmper Digital with over 25 years' experience as a technology and risk management executive. A results-driven technology leader, he is responsible for executing cutting-edge solutions across digital, cloud, cybersecurity, intelligent automation, data management and analytics. Jason drives high-impact client engagements from strategy through execution, working with leaders at the intersection of innovation, emerging technologies, operations, and organizational transformation. *Jason will serve as Managerial and Data Analytics Executive.*



Tom Friou, CPA, is an Associate Director at EisnerAmper. Tom has over 30+ years of extensive professional experience in accounting and financial operations and 25+ years of management experience helping organizations meet their operational goals in a broad range of business initiatives to improve process efficiencies and reduce overhead. Tom is a decisive business leader who works and communicates effectively with all levels and combines strong business acumen with the ability to conceive profitable and efficient solutions. *Tom will serve as your Accounting Services Supervisor.*



Katherine Clements, PMP, CSM, is an Associate Director in EisnerAmper's Consulting Services Group. Katherine has extensive project management experience for managing projects through all phases of the project life cycle. She assists clients by providing Project Management practices to provide immediate value and integrate a perpetual feedback system to ensure client satisfaction. Katherine also uses her technical knowledge across a variety of programs to assist clients with business analysis to make more informed decisions in their projects. *Katherine will serve as an Managerial Supervisor.*



LAURA SOILEAU

225.408.4431 | LSOILEAU@PNCPA.COM
PARTNER | EAG GULF COAST, LLC
PARTNER | EISNERAMPER LLP

Laura Soileau is a Partner in the firm. She has over 20 years of internal audit experience and her clients come from a diverse array of industries, including governmental, higher education, and professional services.

Laura is a seasoned professional with extensive experience in internal audit, internal controls, governance, risk, compliance, and fraud-related matters. She is well-versed in leading and delivering system and organization control (SOC) examinations. In her extensive career, Laura has worked with audit committees, facilitated risk assessments for financial, operational, and technology audits, and coordinated with external auditors. She has also overseen the execution of audit plans and communicated with senior leadership and audit committees.

Furthermore, she's adept at helping small to mid-size organizations in assessing their current state environment and making recommendations to improve performance, including identification of internal controls tailored to the organization as well as opportunities to improve the effectiveness and efficiency of the organization.

Additionally, Laura is experienced in fraud prevention and detection, including the development of a client-specific risk-based approach to fraud monitoring and investigation using data analytics.

Laura is heavily involved with The Institute of Internal Auditors and previously served as the Chairman of The IIA's North American Board of Directors. Laura was also named one of twenty "emerging Leaders" by The IIA in 2014. She has also co-authored multiple articles for IA magazine and regularly presents on internal audit and fraud-related topics.

Prior to joining the firm, Laura was a Director at Postlethwaite & Netterville (P&N), a leading full-service accounting and business advisory firm.

SPECIALTIES

- Internal Audit
- Internal Controls
- Higher Education
- Non-Profit
- Professional Services

CREDENTIALS/EDUCATION

- Certified Public Accountant (CPA)
- Chartered Global Management Accountant (CGMA)
- Certified in Risk Management Assurance (CRMA)
- Certified Fraud Examiner (CFE)
- Certified Information Systems Auditor (CISA)
- Certified Internal Auditor (CIA)
- University of Arkansas: BS, Accounting & Marketing
- Louisiana State University: MS, Accounting

AFFILIATIONS

- The Institute of Internal Auditors
- American Institute of Certified Public Accountants
- Society of Louisiana Certified Public Accountants
- Association of Certified Fraud Examiners
- Information Systems Audit and Control Association



PAUL DOUGLAS

225.408.4421 | PDOUGLAS@PNCPA.COM
PARTNER | EAG GULF COAST, LLC

Paul Douglas is a Partner in the firm. With more than 15 years of experience, Paul primarily focuses on IT risk advisory, data privacy and security strategies, and IT compliance. He works with a broad base of clients in the higher education, healthcare, public company, and technology industries.

Paul guides clients through the complex landscape of security and privacy laws, translating laws, regulations, and requirements into actionable strategic plans. With his strong background in conducting high-value assessments and implementing robust risk management plans, Paul helps organizations to effectively address and mitigate risks. He has experience serving clients subject to a wide variety of standards, including Control Objectives for Information and Related Technologies (COBIT), the NIST Cybersecurity Framework, NIST 800-53 and NIST 800-171 for Controlled Unclassified Information, the HIPAA Security, Privacy, and Breach Notification Rules, the HITRUST Common Security Framework, The California Consumer Privacy Act (CCPA), the European Union's General Data Protection Regulation (GDPR), and the Payment Card Industry Data Security Standard (PCI DSS).

Through his breadth and depth of experience, Paul leads his team to excel in developing and implementing comprehensive guidelines and best practices that ensure the confidentiality, integrity, and availability of clients' information and data. With a strong focus on delivering tailored solutions, Paul enables organizations to navigate the ever-evolving cybersecurity environment while maintaining regulatory compliance.

Prior to joining the firm, Paul was a Director at Postlethwaite & Netterville (P&N), a leading full-service accounting and business advisory firm.

SPECIALTIES

- Consulting
- Healthcare
- Higher Education
- Public Companies

CREDENTIALS/EDUCATION

- Louisiana State University: BBA, Finance
- Certified Information Systems Auditor (CISA)
- Certified Common Security Framework Practitioner (CCSFP - HITRUST)
- Certified HITRUST Quality Professional (CHQP)
- Certified Data Privacy Solutions Engineer (CDPSE)

AFFILIATIONS

- Healthcare Financial Management Association: Article Contributor and Conference Speaker
- Texas Association of College and University Auditors: Contributor and Conference Speaker
- Healthcare Information and Management Systems Society: Louisiana Board of Directors
- Association of Healthcare Internal Auditors: Tech Talk Committee and Conference Speaker
- Information Systems Audit and Control Association
- Institute of Internal Auditors



KATHERINE TORRES

504.335.3282 | KFTORRES@PNCPA.COM
PARTNER | EAG GULF COAST, LLC

Katherine Torres is a Partner in the firm. Katherine's practice area includes delivering outsourced business services to a variety of organizations. With over 15 years of consulting experience, Katherine has provided an array of consulting services centered on creating and measuring value, understanding and mitigating risk, optimizing processes and resources, and designing workable solutions to complex problems.

She has experience leading projects related to business valuations, lost profits analysis, due diligence support, internal audit, strategic planning, and outsourcing. Functioning as a senior leader on numerous multi-year large scale projects, she has a depth of experience providing leadership in project strategy, process design and improvement, training, quality control, change control, policy implementation, resource management, reporting, and communications.

Katherine draws upon her career experience to help organizations assess the current state of key business processes while making recommendations to capitalize on opportunities for increased effectiveness and efficiency. Katherine focuses on outsourced business service practice areas that provide support to organizations managing change or growth opportunities. These outsourced business services range from support with accounting and finance processes to the development of custom, interdisciplinary teams to provide support in other areas such as project management, change management, process outsourcing, and staff augmentation.

Prior to joining the firm, Katherine was a Director at Postlethwaite & Netterville (P&N), a leading full-service accounting and business advisory firm. Before this, she worked in economic development, supporting initiatives regarding regional and state economic competitiveness.

SPECIALTIES

- Consulting
- Governmental
- Higher Education
- Hospitality
- Professional Services

CREDENTIALS/EDUCATION

- Louisiana State University: BS, Finance, Summa Cum Laude, University Medalist
- Certified Internal Auditor

AFFILIATIONS

- Institute of Internal Auditors
- St. Ann School Advisory Council
- St. Ann Home and School Association: Committee Member



JOSH DICHARRY

225.663.1228 | JDICHARRY@PNCPA.COM
PARTNER | EAG GULF COAST, LLC

Josh Dicharry is a Partner in the firm. Josh has over 15 years of experience providing project management and business analysis to government agencies, non-profits, and various private companies. He specializes in business process redesign, application development & integration, process automation, IT program management, and data analytics & business intelligence.

Josh focuses on helping organizations optimize business processes using modern IT solutions. In addition, he brings a wealth of experience to the table, having worked in a range of industries on various technical and professional projects.

Additionally, Josh has the expertise to help organizations implement suitable IT PM & IT PMO structures and tools to improve their IT project operations. His expertise extends to project controls (agile & waterfall), software & vendor selection, project triage and rescue, workflow and team management, custom reporting, dashboarding & visualizations, software testing, and independent verification and validation.

Prior to joining the firm, Josh was a Director at Postlethwaite & Netterville (P&N), a leading full-service accounting and business advisory firm. In this role, he was the leader of the Business Transformation Services team.

SPECIALTIES

- Business Process Redesign
- Application Development
- Process Automation
- Data Analytics & Visualization
- IT Portfolio Management

CREDENTIALS/EDUCATION

- Project Management Professional
- Certified Scrum Product Owner
- Louisiana State University: BS, Business Management; MBA, Finance

AFFILIATIONS

- Project Management Institute, Baton Rouge Chapter
- Anglers Bettering Louisiana's Estuaries: Board Member
- LSU Letterman Club



NINA KELLEHER

212.891.4161 | NINA.KELLEHER@EISNERAMPER.COM
PARTNER | EISNER ADVISORY GROUP LLC

Nina Kelleher is a Partner and is the National Practice leader for EisnerAmper Digital's Risk Advisory services, with more than 15 years in the risk and regulatory space. Nina leads the groups internal audit, governance, risk and regulatory compliance services, and is also the national leader of the Special Purpose Acquisition Companies ("SPAC") services.

With a keen focus on business process and internal controls, Nina maintains client risk postures using innovative techniques such as process automation and enterprise risk management tools. Nina's extensive range of expertise spans across operational, financial, information technology and regulatory risk while specializing in financial services. Nina has led engagements implementing the COSO framework, designed internal controls frameworks complying with Sarbanes Oxley 404 ("SOX") regulations, and established internal audit departments. Nina has experience in regulatory compliance internal audits including BSA/AML/OFAC and those in accordance with Consumer Financial Protection Bureau requirements.

Nina is also a subject matter expert for engagements related to National Security Agreement ("NSA") under the Committee on Foreign Investment in the United States ("CFIUS"). With a proven track record with the CFIUS Monitoring Agencies ("CMAs"), Nina has expertise in readiness, third-party monitoring and third-party audit CFIUS engagements spanning various industries that have critical infrastructure, critical technology and sensitive personal data.

Previously, Nina was vice president of internal audit at a publicly traded broker-dealer investment bank where she led operational, regulatory and front-to-back sales and trading internal audits in the debt and equity capital markets.

Nina is a thought leader, podcaster, panelist and speaker on risk and compliance, CFIUS and SPAC topics and was named as Crain's New York Business "Notable Women in Accounting and Consulting.

SPECIALTIES

- Internal Audit & Regulatory Compliance
- Enterprise Risk Management
- CFIUS Advisory Services
- Continuous Controls Auditing
- Process Improvement
- SPAC Services
- Financial Services

CREDENTIALS/EDUCATION

- Certified Internal Auditor (CIA)
- Certified Anti-Money Laundering Specialist (CAMS)
- Certification in Risk Management Assurance (CRMA)
- Certified in General Insurance (CGI)
- Rutgers University: BA, Statistics
- Boston University: MS, Banking & Finance

AFFILIATIONS

- Institute of Internal Auditors
- Association of Certified Anti-Money Laundering
- RIMS – The Risk Management Society



JERRY RAVI

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PARTNER | EISNER ADVISORY GROUP LLC

Jerry Ravi is a Partner and the National Practice Leader of EisnerAmper Digital. Jerry has nearly 20 years of consulting, technology and audit experience, with a unique ability to bring clarity and forward movement to the decision-making process. Combining advisory, facilitation and coaching, his work results in growth oriented risk management programs that are aligned with overall corporate strategy. Jerry's overall goal and credo is to help clients enhance their business performance, translating risk and compliance into opportunities.

Jerry consults with management, audit executives and board members to effectively identify, and mitigate risks facing their organizations. Through the role of internal auditor, compliance and enterprise risk specialist, he provides value-added assurance to corporate management including the CFO, CIO, CAE, CTO and CRO. Jerry's focus over the past ten years has been leading teams to enhance outcomes for clients in areas such as compliance, technology, governance, risk management, analytics, cybersecurity, and finance and controls transformation.

Jerry's successful client outcomes included the efficient coordination and utilization of people, process and technology within a large public, multi-national company; the optimization of internal controls and compliance; as well as re-aligning the corporate focus in key strategic areas including mergers and acquisitions, cybersecurity, and other areas such as Digital, Mobile, Cloud and ERP. In addition, Jerry serves clients in a variety of highly regulated industries, maintaining a focus on the financial services sector where he helps companies address financial, operational, technology and regulatory risk and assists with operational excellence to overcome market and regulatory challenges.

Jerry is an industry thought leader, and frequent speaker at leading ERM events.

SPECIALTIES

- Enterprise Risk Management
- Internal Audit & Regulatory Compliance
- Information Technology
- Project Management
- Information Technology Optimization
- Data Governance & Reporting
- Cybersecurity
- Process Re-Engineering & Tech Automation

CREDENTIALS/EDUCATION

- Certified Public Accountant (CPA)
- Certified Information Systems Auditor (CISA)
- Salisbury State University (Perdue School of Business): BS, Accounting

AFFILIATIONS

- American Institute of Certified Public Accountants
- New York State Society of Certified Public Accountants
- New Jersey Society of Certified Public Accountants
- Institute of Internal Auditors: Local Chapter Board
- Insurance Accounting & Systems Association: Local Chapter Board
- Information Systems Audit & Control Association
- Securities Industry & Financial Markets Association



JASON JULIANO

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DIRECTOR | EISNER ADVISORY GROUP LLC

Jason Juliano is a Director within EisnerAmper Digital with over 25 years' experience as a technology and risk management executive. A results-driven technology leader, he is responsible for executing cutting-edge solutions across digital, cloud, cybersecurity, intelligent automation, data management and analytics. Jason drives high-impact client engagements from strategy through execution, working with leaders at the intersection of innovation, emerging technologies, operations, and organizational transformation.

Jason has held executive leadership roles with several Fortune 100 firms within a variety of industries, including investment banking, financial services, insurance, and health care. He has implemented and led many business solutions that are used today in the Information management, cloud, and cognitive business areas.

Prior to joining the firm, Jason was the Managing Director at Aponia Data Solutions, an AI and Automation Solutions Integration company, helping mid-market businesses where he led award-winning digital solutions for clients leveraging emerging technologies. Additionally, Jason managed critical strategic partnerships within IBM, Microsoft, Amazon, Google, and UIPath.

Jason is a recognized thought leader within the Microsoft, IBM, Google, and AWS communities. He has been an IBM Champion since 2018 in IBM Blockchain, Cloud, Data, and AI. Jason is a frequent speaker at international conferences on AI, Digital Transformation and Cloud technologies. Additionally, he is an Adjunct Professor at Rockland Community College.

SPECIALTIES

- Artificial Intelligence & Machine Learning
- Robotic Process Automation
- Business Intelligence
- Digital Transformation
- Application Modernization
- Risk Management
- ERP Systems

CREDENTIALS/EDUCATION

- Certified Enterprise Design Thinking Practitioner
- IBM Blockchain Professional
- IBM Quantum Computing Certificate
- AWS Partner: Technical Accreditation
- Certificate in IBM Data Science & Analytics
- The Wharton School: Professional Certificate in Strategic Management
- SUNY Cobleskill: BBA, Business Administration & Management
- Empire, State University of New York: MBA

AFFILIATIONS

- Institute of Electrical and Electronics Engineers
- Association of Latino Professionals Finance & Accounting
- CompTIA Artificial Intelligence Advisory Council: Board Member
- Financial Services Information Sharing & Analysis Center
- Wall Street Technology Association
- ISACA



TOM FRIOU

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ASSOCIATE DIRECTOR | EAG GULF COAST, LLC

Tom Friou, CPA, is an Associate Director at EisnerAmper. Tom has over 30+ years of extensive professional experience in accounting and financial operations and 25+ years of management experience helping organizations meet their operational goals in a broad range of business initiatives to improve process efficiencies and reduce overhead.

Prior to joining the EisnerAmper Team, Tom served in various financial management positions for two publicly traded companies as well as a senior manager for a Big Four public accounting firm. In his role as a senior manager, Tom managed multi-location audit and review services in the retail sector as well as audit and review services in the property/casualty insurance sector.

Tom is a decisive business leader who works and communicates effectively with all levels and combines strong business acumen with the ability to conceive profitable and efficient solutions.

Prior to joining the firm, Tom was an Associate Director at Postlethwaite & Netterville (P&N).

SPECIALTIES

- Consulting
- Governmental
- Professional Services
- Financial Management
- Requisition, Disbursement, Reconciliation and Reporting of Funds
- Financial Management Policy and Procedures
- Financial Management Controls and Risk Assessment

CREDENTIALS/EDUCATION

- Master of Business Administration, Finance, Tulane University
- Bachelor of Science, Accountancy, Cum Laude, University of Mississippi
- Certified Public Accountant
- Member, American Institute of Certified Public Accountants
- Member, Louisiana Society of CPAs
- eGrants System



KATHERINE CLEMENTS

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ASSOCIATE DIRECTOR | EAG GULF COAST, LLC

Katherine Clements, PMP, CSM, is an Associate Director in EisnerAmper's Consulting Services Group. Katherine has extensive project management experience for managing projects through all phases of the project life cycle. She assists clients by providing Project Management practices to provide immediate value and integrate a perpetual feedback system to ensure client satisfaction. Katherine also uses her technical knowledge across a variety of programs to assist clients with business analysis to make more informed decisions in their projects

Katherine uses knowledge gained through obtaining the Certified Scrum Master (CSM) and Certified Associate in Project Management (CAPM) credentials as well as her diverse experience to successfully lead teams, improve processes, and deliver quality results.

Katherine has extensive project management experience for managing projects through all phases of the project life-cycle. She assists clients by providing Agile Project Management practices in order to provide immediate value and integrate a perpetual feedback system to ensure client satisfaction. Katherine also uses her technical knowledge across a variety of programs to assist clients with business analysis in order to make more informed decisions in their projects. Most recently, Katherine has been engaged with an industry-leading medical insurance organization, where she served as a leader in the Data Excellence Program. This role highlights Katherine's ability to provide proven leadership related to complex, evolving, and highly scrutinized data and information systems projects.

Prior to joining the firm, Katherine was an Associate Director at Postlethwaite & Netterville (P&N).

SPECIALTIES

- Consulting
- Governmental
- Project Management
- Data Analytics
- Professional Services

CREDENTIALS/EDUCATION

- Louisiana State University: BS, Management
- Project Management Professional
- Certified ScrumMaster
- Certified Associate in Project Management

AFFILIATIONS

- Project Management Institute – Baton Rouge Chapter

5.5 Technical Approach

Understanding Your Needs

It is our understanding that if selected, EisnerAmper will provide the State of North Carolina Supplemental Internal Audit, Accounting, Data Analytics and Managerial Advisory services. EisnerAmper will provide these services in accordance with IIA, COBIT (if requested by the State) and Generally Accepted Accounting Principles issued by the Financial Accounting Standards Board. Specifically, we will deliver the State with the following services as needed and requested:

Internal Audit

- Operational/Performance Audit
- Investigative Audit
- Compliance Audit
- Information Systems Audits
- Risk Assessment and Audit Plan Development

Accounting

- Operational accounting
- Assisting full time agency finance staff with month end financial closings
- Annual preparation and support of the Annual Comprehensive Financial Report (ACFR)
- Trial Balance Preparation
- Governmental Accounting Standards Board (GASB) implementation efforts
- General Ledger accounting transactions
- Cash Management
- Related Operational Accounting Functions

Data Analytics/Continuous Monitoring

- Descriptive Analytics
- Diagnostic Analytics
- Predictive Analytics
- Prescriptive Analytics

Managerial Advisory Services

- Organizational efficiencies
- Cost Reductions
- Budget and Revenue Forecasting
- Economic Forecasting
- Research
- Analysis of Unmet Demand for Public Services

- Strategic Planning
- Project Implementation
- Front Line Public Customer Facing Improvements to further a public agency's statutory mandates and directives

Internal Audit Approach

The goal of an effective internal audit function is to help an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes. The role of internal audit continues to evolve in response to changes in the business and technology environments, especially as more organizations focus on business and process improvements. As such, internal audit functions are expected to address not only compliance and financial risks, but also to consider operational and strategic risks.

Conduct Internal Audits as Requested

We will integrate the COSO Framework in delivering our internal audit services while ensuring compliance with The IIA's *Standards*. The key objectives are to assess the specific risks related to the processes being audited, identify high-risk areas of focus, develop our understanding of the internal control structure for each area, evaluate whether adequate controls are in place, and determine whether the identified controls are functioning effectively to mitigate identified risks. These objectives are typically achieved through:

- Observation, discussion and inquiries with management and other appropriate personnel;
- Walkthroughs of specific processes to evaluate design and implementation of internal controls;
- Testing of operating effectiveness of select controls, as deemed necessary; and
- Evaluation of opportunities for the implementation of continuous monitoring to enable management to continually review high-risk processes for adherence to desired levels of performance.

Additionally, during the planning phase of each audit, we will work closely with management to coordinate timing of key activities to minimize disruptions to operations.

Approach to Communication

We believe communication is critical in meeting your expectations. Whether we need to discuss findings or consult on technical matters, our team is dedicated to timely and transparent communication. We encourage open dialogue with management, the Audit Committee, and other key personnel. With regular communication, issues can be identified and resolved on a timely basis.

From planning through execution, we believe it is imperative to schedule periodic meetings with management to discuss the status of the engagement. During the planning phase, we will determine the frequency of these meetings and the timelines for preparation of subsequent progress reports.

Regular communication is a critical component to the success of each internal audit. With this in mind, prior to the start of each audit, we will hold an entrance conference with the audit process owner and management in which we will discuss audit scope and objectives, timelines, key contact information, and protocol for reporting. During this phase, we will also work closely with the staff and external audit, as applicable, to coordinate key activities and ensure minimal duplication of effort. On-going meetings and status updates will be held throughout the course of each audit to ensure project issues and audit findings are communicated as they arise.

At the completion of each audit, a final/exit meeting will be held to discuss results, including any significant observations, risk exposures and/or control deficiencies identified, along with any opportunities for improvement. We will request management responses for each observation. Further, we will collaborate with management to identify suitable action plans for correcting each significant observation, in order to ensure any recommendations are reasonable and appropriate based on risk, cost and availability of resources. As applicable, we will also discuss timelines for follow-up related to key observations.

Communication with the Audit Committee
We understand the importance of a communicative relationship with the State's Audit Committee. Throughout the audit process, we will ensure open lines of communication and collaborate with the Audit Committee to ensure a clear, shared understanding of engagement procedures.

Frequent meetings throughout the audit process are imperative to ensure any issues identified are appropriately vetted and key audit timelines are achieved. During the course of each audit,

we suggest holding a weekly update meeting with key stakeholders of the audited area and applicable members of management to discuss audit progress, any issues identified to date, and any potential obstacles in completing the audit. However, if significant issues (such as potential fraud or illegal acts) are identified, we will immediately alert the appropriate members of management and/or the Audit Committee.

In addition, we will coordinate with the Audit Committee to develop a schedule to periodically present audit results to the Audit Committee, based on their needs and preferences.

Sample Timeline

The table below illustrates a sample of the steps and engagement timeline with key tasks and milestones for a typical internal audit based on our experience working with other clients in this capacity. We will work with you to create a timeline to meet your needs. Further, if controls have not been fully defined or implemented for selected audit scope areas, we can partner with the State to approach our work from an advisory nature, assessing the current processes for the identified area and recommending controls to address process risks.

ACTIVITY	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6
Hold a preliminary discussion with key stakeholders	✓					
Hold Entrance Conference	✓					
Preliminary questionnaire and data request list provided to the key stakeholders	✓					
Follow up with key stakeholders on any questions from preliminary questionnaire and request list		✓				
Schedule meetings with key stakeholders to discuss significant processes governing audited area		✓				
Document processes and key risks			✓	✓		

Assess available data for audited area to develop substantive testing			✓	✓		
Conduct observations and substantive testing			✓	✓		
Complete initial documentation and perform any needed follow up					✓	
Hold a closing meeting to discuss preliminary findings					✓	
Draft a preliminary report and obtain management responses					✓	
Prepare and distribute final report						✓

Accounting Services Approach

The Accounting Services Team proposes the following approach:

- **Project Initiation:** The EA team will work with your team to understand your need and develop an approach to provide solutions to your need. This involves understanding key process stakeholders, existing processes and industry requirements, as well as systems used or needed.
- **Project Planning:** The EA team will collaborate with you and present a project plan. We will define key milestones, staffing, and information access needs.
- **Project Execution:** We will execute our project plan once approved. We will meet with you at agreed upon intervals to report on status, accomplishments, upcoming plans, and any challenges to the scope.
- **Project Monitoring and Controlling:** Over the lifecycle of this project, we will monitor progress against the approved plan, and work with you to adjust, as needed.
- **Project Close:** We will facilitate an exit conference or summary presentation to ensure the deliverables meet your requirements.

Approach to Data Analytics

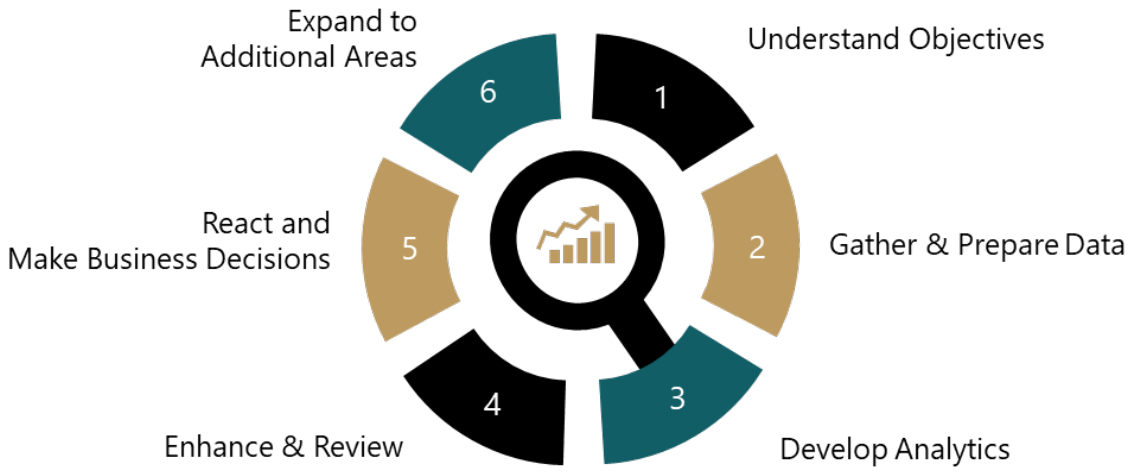
EisnerAmper knows acquiring, transforming, and consolidating congruent data is paramount to the success of any entity. Creating a landscape for more accessible data through advanced data

architecture and user-friendly data visualizations provides a platform for making decisions more efficient and scientific based.

Data is present in multiple channels in every organization. EisnerAmper brings a wealth of knowledge and experience to access raw data from software including but not limited to spreadsheets, data warehouses, API connections, and Access data files. Our Analytics team provides the experience and tool sets to design, develop, and implement processes for obtaining this raw data, but also the ability to convert this data to useful information.

In addition to conventional data extract, transform, and load processes, EisnerAmper also works with a considerable number of Robotic Process Automation (RPA) solutions to expedite the potential manual movement of data or data scraping. This provides scaled solutions to repetitive processes and provides additional confidence on data validation and transformation into the data model.

Data Analytics is a two-part process of preparing **Data** & performing **Analytics.** This task is accomplished using a cyclical approach between EisnerAmper and our clients to provide business units with the most pertinent information needed to make the most optimal decisions.



Managerial Services

Our Managerial Advisory Services aims to spearhead a comprehensive business transformation within the public agency. With an unswerving dedication to excellence, our leadership team members can seamlessly meld project management prowess and design thinking

methodologies. This fusion of expertise will guide us in achieving elevated organizational efficiencies and cost-effectiveness, all while remaining steadfastly committed to our mission of delivering exceptional public services.

At the core of this venture lies a strategic goal: harnessing the power of expert advisory services to unlock a spectrum of outcomes that will redefine our agency's impact on the community. Our aspirations span many areas, from optimizing internal processes and ushering in cost efficiencies to forecasting budgets and revenues with precision-driven by insightful economic foresight. The objective extends further to addressing latent demands for public services through in-depth research and analysis. A pivotal facet of this endeavor is the infusion of design thinking principles into every step, ensuring that our solutions are effective, human-centered, and intuitively crafted.

Our proposed method combines project management expertise with an innovative design-thinking mindset. The chosen vendor will be more than a partner; they will catalyze change. We expect a dynamic collaboration that combines our agency's institutional knowledge with the vendor's cutting-edge skills, in keeping with the concepts described in EisnerAmper's Digital Transformation Design Program. This requires a thorough examination of our operating landscape, the discovery of inefficiencies, and the identification of opportunities for resource optimization. The vendor will instill empathy and user-centricity into every solution created, ensuring that the results resonate strongly with our community.

Our managerial advisory services are aimed to be a visionary and trusted partner who resonates deeply with the harmonious fusion of project management discipline and design thinking innovation. This distinctive combination holds the power to revolutionize our agency's operations, redefine public service benchmarks, and craft, maintain, and maximize operational and strategic value. We invite prospective vendors to wholeheartedly embrace this opportunity, becoming integral to a pivotal journey that promises enduring, positive impact and a holistic approach to creating, sustaining, and optimizing value across our agency's landscape.



6.1 Contract Manager and Customer Service

Contract Manager Information

Contract Manager Point of Contact	
Name:	Laura Soileau
Office Phone #:	225.408.4431
Mobile Phone #:	901.326.2532
Email:	lsoileau@pncpa.com

Customer Service Information

Customer Service Point of Contact	
Name:	Laura Soileau
Office Phone #:	225.408.4431
Mobile Phone #:	901.326.2532
Email:	lsoileau@pncpa.com

E. Attachment A: Cost Proposal

Cost proposal can be viewed in a separate attachment labeled *DPC-646236801-MT-Proposal Response-EisnerAmper- Addendum Attachment A Revised Pricing Form*.

Proposal Number DPC-646236801-MT

ATTACHMENT A: PRICING FORM

COST SCHEDULE

Vendor shall provide its best hourly rates in the form of base rate and upper rate for an auditor, audit supervisor and audit executive in the appropriate columns provided below or a duplicate of this form. For staff, supervisor, and executive descriptions, see Section 4.9 of the RFP.

This table captures audit staff compensation rates only and does not include travel or related business expenses. All travel and business expenses, if any, will be subject to North Carolina state travel guidelines and requirements and are required to be presented as part of the issuance of a specific SOW, after approved Vendors have been selected. Chapter 5 of the North Carolina Budget Manual provides primary guidance on state travel guidelines and restrictions and can be found at:

https://www.osbm.nc.gov/budget/budget-manual

					OTHER PROFESSIONAL STAFF *Vendors may enter provide rates for additional staff categories, if applicable.*		
Services Category	**Staff Base Rate**	**Staff Upper Rate**	**Supervisor**	**Executive**	**Data Analytic Other Professional Staff**		
Operational/Performance Audit	125	**175**	175-265	350-475			
Investigative Audit	125	175	175-265	350-475			
Compliance Audit	125	175	175-265	350-475			
Information System Audit	125	175	175-265	350-475			
Risk Assessment and Audit Plan	125	175	175-265	350-475			
Development	125	175	175-265	350-475			
Financial Audit	N/A	N/A	N/A	N/A			
Data Analytic Services	145	250	250-325	325-475	225 - 325		
Managerial Advisory Services	125	175	175-265	350-475			
Accounting Services	125	175	175-265	350-475			

F. Attachment D: HUB Supplemental Vendor Information

ATTACHMENT D: HUB Supplemental Vendor Information

Solicitation #: DPC-646236801-MT

Vendor Name: EAG Gulf Coast, LLC

Historically Underutilized Businesses (HUBs) consist of minority, women, and disabled business firms that are at least fifty-one percent owned and operated by an individual(s) from one of these categories. Also included in this category are disabled business enterprises and non-profit work centers for the blind and severely disabled.

Pursuant to G.S. 143B-1361(a), 143-48 and 143-128.4, the State invites and encourages participation in this procurement process by businesses owned by minorities, women, the disable, disabled business enterprises, and non-profit work centers for the blind and severely disabled. This includes utilizing individual(s) from these categories as subcontractors to perform the functions required in this Solicitation.

The Vendor shall respond to questions below, as applicable.

PART I: HUB CERTIFICATION

Is Vendor a NC-certified HUB entity? ☐ **Yes** ■ **No**

If **yes**, provide Vendor #: _____

If **no**, does Vendor qualify for certification as HUB? ☐ **Yes** ■ **No**

Vendors that check "yes" will be referred to the HUB Office for assistance in acquiring certification.

PART II: PROCUREMENT OF GOODS - SUPPLIERS

For *Goods* procurements, are you using Tier 2 suppliers? ☐ **Yes** ■ **No**

If ***yes***, then provide the following information:

Company Name	Company Address	Website Address	Contact Name	Contact Email	Contact Phone	NC HUB certified?	Percent of total bid price

PART III: PROCUREMENT OF SERVICES - SUBCONTRACTORS

For *Services* procurements**,** are you using Subcontractors to perform any of the services being procured under this solicitation? ☒ **Yes** ☐ **No**

If ***yes***, then provide the following information:

Company Name	Company Address	Website Address	Contact Name	Contact Email	Contact Phone	NC HUB certified?	Percent of total bid price
Eisner Advisory Group	733 Third Avenue New York, NY 10017 212.949.8700	https://www.eisneramper.com/	Nina Kelleher	nina.kelleher@eisneramper.com	212-891-4161	No	30%, or as needed

Need more information?

Questions concerning the completion of this form should be presented during the Q&A period through the process defined in the Solicitation document.

Questions concerning NC HUB certification, contact the **North Carolina Office of Historically Underutilized Businesses** at 984-236-0130 or huboffice.doa@doa.nc.gov

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G. Attachment E: Customer Reference Form

ATTACHMENT E: CUSTOMER REFERENCE TEMPLATE

Solicitation #: DPC-646236801-MT

Vendor Name: EAG Gulf Coast, LLC

Instructions: Vendor shall use this template to submit five (5) customer references with its offer.

Name of Customer Organization:	Louisiana Board of Regents
Customer Reference Name:	T. Jay Seale, Member, Board of Regents; Chair, Audit Committee
Customer Reference Address:	200 N. Cate St., Hammond, LA, 70404
Customer Reference Email:	tjseale@sealeross.com
Start Date:	March 2018
End Date:	Present
Explanation of contract, service agreement, or type of products and quantity provided to the organization:	The EisnerAmper Team is engaged to provide outsourced internal audit services, including the facilitation of an annual risk assessment, development of the risk based internal audit plan, and execution of audits from the annual risk based internal audit plan.

Name of Customer Organization:	The Louisiana Department of Education, Grant Assessments
Customer Reference Name:	Melinda George, Louisiana Department of Education
Customer Reference Address:	1201 North Third Street, Baton Rouge, LA 70802
Customer Reference Email:	Melinda.George@LA.GOV
Start Date:	2021
End Date:	Present
Explanation of contract, service agreement, or type of products and quantity provided to the organization:	The EisnerAmper Team has supported and continues to support the Louisiana Department of Education (the Department) with grant assessment services for childcare providers receiving coronavirus relief funds, with a focus on utilization of the funds in accordance with COVID mandates.

Name of Customer Organization:	UT Austin
Customer Reference Name:	Sandy Jansen, Chief Audit Executive
Customer Reference Address:	1616 Guadalupe St., Suite 2.302, Austin, Texas 78701
Customer Reference Email:	Sandy.Jansen@austin.utexas.edu
Start Date:	2019
End Date:	Present
Explanation of contract, service agreement, or type of products and quantity provided to the organization:	The EisnerAmper Team currently serves as the IT Audit co-source partner for UT Austin. Our team has been working with UT Austin's Data Management Officer to understand the data governance opportunities at the institution and establish a formal data governance program for the university.

ATTACHMENT E: CUSTOMER REFERENCE TEMPLATE

Name of Customer Organization:	The Louisiana Department of Education, CCDF
Customer Reference Name:	Kim Nesmith, Director of Administrative Affairs and Child Care Development Fund Administrator
Customer Reference Address:	1201 North Third Street, Baton Rouge, LA 70802
Customer Reference Email:	Kim.nesmith@la.gov
Start Date:	2022
End Date:	Present
Explanation of contract, service agreement, or type of products and quantity provided to the organization:	Professional services to assist with budgeting and reporting of Child Care Development Funds (CCDF) for the Childcare and Development Block Grant. And professional services related to CCAP.

Name of Customer Organization:	Louisiana Remote Sellers
Customer Reference Name:	Renée Ellender Roberie, Executive Director
Customer Reference Address:	P O Box 2068 Baton Rouge, LA 70821
Customer Reference Email:	Renee.Roberie@la.gov
Start Date:	2022
End Date:	Present
Explanation of contract, service agreement, or type of products and quantity provided to the organization:	The EisnerAmper Team provides Accounting Consulting services to the State of Louisiana, Sales and Use Tax Commission for Remote Sellers. Services provided are similar to the scope requested by the State of North Carolina.

H. Attachment F: Location of Workers Utilized by Vendor

ATTACHMENT F: LOCATION OF WORKERS UTILIZED BY VENDOR

Solicitation #: DPC-646236801-MT

Vendor Name: EAG Gulf Coast, LLC

In accordance with NC General Statute G.S. 143-59.4, Vendor shall detail the location(s) at which performance will occur, as well as the manner in which it intends to utilize resources or workers outside of the United States in the performance of The Contract.

Vendor shall complete items 1 and 2 below.

1. **Will any work under this Contract be performed outside of the United States**? ☐ YES ■ NO

   If "YES":

   a) List the location(s) outside of the United States where work under the Contract will be performed by the Vendor, any subcontractors, employees, or any other persons performing work under the Contract.

   b) Specify the manner in which the resources or workers will be utilized:

2. **Where within the United States will work be performed?**

   The work will be performed out of our Louisiana, New York and New Jersey offices. If on-site work is required, we can provide it at no extra cost to the state.

NOTES:

1. The State will evaluate the additional risks, costs, and other factors associated with the utilization of workers outside of the United States prior to making an award.

2. Vendor shall provide notice in writing to the State of the relocation of the Vendor, employees of the Vendor, subcontractors of the Vendor, or other persons performing services under the Contract to a location outside of the United States.

3. All Vendor or subcontractor personnel providing call or contact center services to the State of North Carolina under the Contract **shall disclose** to inbound callers the location from which the call or contact center services are being provided.

I. Certification of Financial Condition

ATTACHMENT G: CERTIFICATION OF FINANCIAL CONDITION

Solicitation #: DPC-646236801-MT

Vendor Name: Eisner Advisory Group, LLC

The undersigned hereby certifies that: [check all applicable boxes]

- ☒ The Vendor is in sound financial condition and, if applicable, has received an unqualified audit opinion for the latest audit of its financial statements.

  Date of latest audit: 7/31/22 (If no audit within past 18 months, explain reason below.)
- ☒ The Vendor has no outstanding liabilities, including tax and judgment liens, to the Internal Revenue Service or any other government entity.
- ☒ The Vendor is current in all amounts due for payments of federal and state taxes and required employment-related contributions and withholdings.
- ☒ The Vendor is not the subject of any current litigation or findings of noncompliance under federal or state law.
- ☒ The Vendor has not been the subject of any past or current litigation, findings in any past litigation, or findings of noncompliance under federal or state law that may impact in any way its ability to fulfill the requirements of this Contract.
- ☒ He or she is authorized to make the foregoing statements on behalf of the Vendor.

Note: This shall constitute a continuing certification and Vendor shall notify the Contract Lead within 30 days of any material change to any of the representations made herein.

If any one or more of the foregoing boxes is NOT checked, Vendor shall explain the reason(s) in the space below. Failure to include an explanation may result in Vendor being deemed non-responsive and its submission rejected in its entirety.

Philip LaSpisa Digitally signed by Philip LaSpisa Date: 2023.09.05 08:47:34 -04'00'	9/5/2023
Signature	Date
Philip LaSpisa	Controller
Printed Name	Title

[This Certification must be signed by an individual authorized to speak for the Vendor]

J. Certification for Contracts, Grants, Loans and Cooperative Agreements and OMB Standard Form LLL

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 an 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.

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 Form to Report Lobbying," 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 by 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 each such failure.

The Vendor, EAG Gulf Coast, LLC, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Vendor understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

Laura Soileau

Signature of Vendor's Authorized Official

Laura Soileau

Name and Title of Vendor's Authorized Official

09/01/2023

Date

DISCLOSURE OF LOBBYING ACTIVITIES

Approved by OMB
0348-0046

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

1. Type of Federal Action:	2. Status of Federal Action:	3. Report Type:
[ ] a. contract b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	[A] a. bid/offer/application b. initial award c. post-award	[A] a. initial filing b. material change **For Material Change Only:** year _____ quarter _____ date of last report _____

4. Name and Address of Reporting Entity:	5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:
[X] Prime [ ] Subawardee Tier _____, *if known* EAG Gulf Coast, LLC 8550 United Plaza Blvd. Suite 1001 Baton Rouge, LA 70809 **Congressional District**, *if known*:	N/A **Congressional District**, *if known*:
6. Federal Department/Agency: none	**7. Federal Program Name/Description:** none CFDA Number, *if applicable*: _____
8. Federal Action Number, *if known*: none	**9. Award Amount**, *if known*: $
10. a. Name and Address of Lobbying Registrant (*if individual, last name, first name, MI*): none	**b. Individuals Performing Services** (*including address if different from No. 10a*) (*last name, first name, MI*):

11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Signature: Laura Soileau
Print Name: Laura Soileau
Title: Partner
Telephone No.: 225 – 408 - 4431 Date: 09/01/0202

Federal Use Only:

Authorized for Local Reproduction
Standard Form LLL (Rev. 7-97)

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity 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 employeeof a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.

2. Identify the status of the covered Federal action.

3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.

4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.

5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.

6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizationallevel below agency name, if known. For example, Department of Transportation, United States Coast Guard.

7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.

8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."

9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.

10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

    (b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).

11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.

K. Vendor Response and Documentation

Right to Practice in North Carolina

Proof of EisnerAmper's legal right to practice in the State of North Carolina can be found on page 101.

External Reviews

Eisner Advisory Group and Postlethwaite & Netterville's peer reviews can be found on pages 104-106.

Financial Statements

EisnerAmper's financial statements can be found on pages 108 and 109.

NORTH CAROLINA GENERAL TERMS & CONDITIONS

1. PERFORMANCE:

a) It is anticipated that the tasks and duties undertaken by the Vendor under the contract which results from the State solicitation in this matter (Contract) shall include Services, and/or the manufacturing, furnishing, or development of goods and other tangible features or components, as deliverables.

b) Except as provided herein, and unless otherwise mutually agreed in writing prior to award, any deliverables not subject to an agreed Vendor license and provided by Vendor in performance of this Contract shall be and remain property of the State. During performance, Vendor may provide proprietary components as part of the deliverables that are identified in this Contract. Vendor grants the State a personal, permanent, non-transferable license to use such proprietary components of the deliverables and other functionalities, as provided under this Contract. Any technical and business information owned by Vendor or its suppliers or licensors made accessible or furnished to the State shall be and remain the property of the Vendor or such other party, respectively. Vendor agrees to perform under the Contract in at least the same or similar manner provided to comparable users and customers. The State shall notify the Vendor of any defects or deficiencies in performance or failure of deliverables to conform to the standards and specifications provided in this Contract. Vendor agrees to timely remedy defective performance or any nonconforming deliverables on its own or upon such notice provided by the State.

c) Vendor has a limited, non-exclusive license to access and use State Data provided to Vendor, but solely for performing its obligations under and during this Agreement and in confidence as further provided for herein or by law.

d) Vendor or its suppliers, as specified and agreed in the Contract, shall provide support assistance to the State related to all Services performed or other deliverables procured hereunder during the State's normal business hours. Vendor warrants that its support, customer service, and assistance will be performed at a minimum in accordance with generally accepted and applicable industry standards.

e) The State may document and take into account in awarding or renewing future procurement contracts the general reputation, performance and performance capabilities of the Vendor under this Contract as provided by G.S. 143-52 and 143-135.9 (a) and (b) (Best Value).

2. DEFAULT AND TERMINATION:

a) In the event of default by the Vendor, the State may, as provided by NC law, procure goods and services necessary to complete performance hereunder from other sources and hold the Vendor responsible for any excess cost occasioned thereby. *See,* G.S. 25-2-712. In addition, and in the event of default by the Vendor under the Contract, or upon the Vendor filing a petition for bankruptcy or the entering of a judgment of bankruptcy by or against the Vendor, the State may immediately cease doing business with the Vendor, terminate the Contract for cause, and take action to recover relevant damages, and if permitted by applicable law, debar the Vendor from doing future business with the State. 01 NCAC 05B.1520.

b) If, through any cause, Vendor shall fail to fulfill in a timely and proper manner the obligations under the Contract, including, without limitation, in these North Carolina General Terms and Conditions, the State shall have the right to terminate the Contract by giving thirty days written notice to the Vendor and specifying the effective date thereof. In that event, any or all finished or unfinished deliverables that are prepared by the Vendor under the Contract shall, at the option of the State, become the property of the State (and under any applicable Vendor license

to the extent necessary for the State to use such property), and the Vendor shall be entitled to receive just and equitable compensation for any acceptable deliverable completed (or partially completed at the State's option) as to which such option is exercised. Notwithstanding, Vendor shall not be relieved of liability to the State for damages sustained by the State by virtue of any breach of the Contract, and the State may withhold any payment due the Vendor for the purpose of setoff until such time as the exact amount of damages due the State from such breach can be determined. The State, if insecure as to receiving proper performance or provision of goods deliverables, or if documented Vendor Services performance issues exist, under this Contract, may require at any time a performance bond or other alternative performance guarantees from a Vendor without expense to the State as provided by applicable law. G.S. 143-52(a); 01 NCAC 05B.1521; G.S. 25-2-609.

c) If this Contract contemplates deliveries or performance over a period of time, the State may terminate this Contract for convenience at any time by providing 60 days' notice in writing from the State to the Vendor. In that event, any or all finished or unfinished deliverables prepared by the Vendor under this Contract shall, at the option of the State, become its property, and under any applicable Vendor license to the extent necessary for the State to use such property. If the Contract is terminated by the State for convenience, the State shall pay for those items or Services for which such option is exercised, less any payment or compensation previously made.

3. INTERPRETATION, CONFLICT OF TERMS:

a) The definitions in the Instructions to Vendors in the relevant solicitation for this Contract, and in 01 NCAC 05A.0112 are specifically incorporated herein.

b) If federal funds are involved in the transactions under this Contract, the Vendor shall comply with all applicable state and federal requirements and laws, except where State requirements are more restrictive. See the additional federal requirements included in the "Federal Funds Provisions" section below.

c) "Purchasing Agency" herein is as defined in 01 NCAC 05A.0112, except that if this Contract has been entered into by the NC Department of Administration, Division of Purchase and Contract (P&C) as indicated in the Contract (e.g., a State Term Contract), then P&C will then be a Purchasing Agency for the purposes herein and in the Federal Funds Provisions, below.

d) Contracts made in contravention of General Statutes, Chapter 143, Article 3 and the Rules in 05 NCAC Chapter 5, are void. G.S. 143-58.

e) In cases of conflict between specific provisions in this Contract and any other referenced documents, the Order of Precedence shall be (high to low) (1) any special terms and conditions specific to this Contract, including any negotiated terms; (2) requirements, specifications and administrative terms; (3) these NORTH CAROLINA GENERAL TERMS AND CONDITIONS, including the Federal Funds Provisions; (4) Definitions and other provisions in INSTRUCTIONS TO VENDORS in this solicitation, which is specifically incorporated in this Contract; (5) PRICING, and (6) Vendor's Bid, to the extent specifically and mutually incorporated into this Contract.

f) In the event of conflict of terms between applicable provisions of the Federal Funds Provisions and the other provisions of these North Carolina General Contract Terms and Conditions, the more restrictive provision will govern.

4. GOVERNMENTAL RESTRICTIONS: In the event any Governmental restrictions are imposed which necessitate alteration of the goods, material, quality, workmanship, or performance of the Services offered, prior to acceptance, it shall be the responsibility of the Vendor to notify the State Contract Lead or Administrator indicated in the Contract at once, in writing, indicating the specific regulation which requires such alterations. The State reserves the right to accept any such alterations, including any price adjustments occasioned thereby, or to cancel the Contract.

5. AVAILABILITY OF FUNDS: Any and all payments to the Vendor shall be dependent upon and subject to the availability of funds appropriated or allocated to the agency for the purpose set forth in the Contract.

6. TAXES: Any applicable taxes shall be invoiced as a separate item.

a) G.S. 143-59.1 bars the Secretary of Administration from entering into Contracts with Vendors if the Vendor or its affiliates meet one of the conditions of G.S. 105-164.8(b) and refuses to collect use tax on sales of tangible personal property to purchasers in North Carolina. Conditions under G.S. 105-164.8(b) include: (1) Maintenance of a retail establishment or office, (2) Presence of representatives in the State that solicit sales or transact business on behalf of the Vendor and (3) Systematic exploitation of the market by media-assisted, media-facilitated, or media-solicited means. By execution of the proposal document the Vendor certifies that it and all of its affiliates, (if it has affiliates), collect(s) the appropriate taxes.

b) The agency(ies) participating in the Contract are exempt from Federal Taxes, such as excise and transportation. Exemption forms submitted by the Vendor will be executed and returned by the using agency.

c) Prices offered are not to include any personal property taxes, nor any sales or use tax (or fees) unless required by the North Carolina Department of Revenue.

7. SITUS AND GOVERNING LAWS:

a) This Contract is made under and shall be governed by and construed in accordance with the laws of the State of North Carolina, including, without limitation, the relevant provisions of G.S. Chapter 143, Article 3, and the Rules in 01 NCAC Chapter 05, and any applicable successor provisions, without regard to its conflict of laws rules, and within which State all matters, whether sounding in Contract, tort or otherwise, relating to its validity, construction, interpretation and enforcement shall be determined. G.S. 22B-3.

b) Vendor shall comply with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business and its performance in accordance with the Contract, including those of federal, state, and local agencies having jurisdiction and/or authority, and including, without limitation, the applicable requirements in the Federal Funds Provisions, below.

c) Non-resident Vendor corporations not formed under NC law must be domesticated in the Office of the NC Secretary of State in order to contract with the State of North Carolina. G.S. 55A-15-01.

8. NON-DISCRIMINATION COMPLIANCE:

Wholly State Funded Contracts.

a) The Vendor will take affirmative action in complying with all State requirements and laws concerning fair employment and employment of people with disabilities, and concerning the treatment of all employees without regard to discrimination by reason of race, color, religion, sex, national origin or disability or rights, such as preserved by Governor Roy Cooper Order E.O. 24 or 25, and will take necessary action to ensure that its internal employee policies and procedures are consistent with Executive Order #82 (Roy Cooper, December 6, 2018), which extends workplace protections and accommodations to pregnant employees.

b) Federal Law, such as the following, applies as provided for therein: Titles VI and VII of the Civil Rights Act of 1964 (PL 88-352), and the regulations issued pursuant thereto (prohibiting discrimination on the basis race, color, national origin and ensuring that individuals are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age); Title IX of the Education Amendments of 1972 (codified as amended at 20 U.S.C. § 1681 et seq.) (prohibiting discrimination on the basis of sex); Titles I, II, III, IV, and V of the Americans with Disability Act of 1990 (prohibiting discrimination on the basis of disability); Section 504 of the Rehabilitation Act of 1973 (codified as amended at 29 U.S.C. § 794) (prohibiting discrimination on the basis of handicap); the Age

Discrimination Act of 1975 (codified as amended at 42 U.S.C. § 6101 et seq.) (prohibiting age discrimination); Executive Order 11063 as amended by Executive Order 2259; and Section 109 of the Housing and Community Development Act of 1974, as amended.

Contracts Partially or Wholly Federally Funded.

To the extent federal funding is involved in this procurement, in whole or in part, compliance with the following is required:

c) The Vendor shall comply with all Federal Funds Provisions requirements (below) and not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Vendor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Vendor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

d) The Vendor shall, in all solicitations or advertisements for employees placed by or on behalf of the Vendor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin:

e) The Vendor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Vendor's legal duty to furnish information.

f) The Vendor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Vendor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

g) The Vendor shall comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

h) The Vendor shall furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and shall permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

i) In the event of the Vendor's noncompliance with the nondiscrimination clauses of this Contract or with any of the said rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole or in part and the Vendor may be declared ineligible for further Government contracts or federally assisted construction Contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

j) The Vendor shall include the portion of the sentence immediately preceding paragraph (a) and the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Vendor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event a Vendor (or herein "applicant," as applicable in context within these Federal Funds Provisions) becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the Vendor may request the United States to enter into such litigation to protect the interests of the United States.

k) The Vendor further agrees that it shall be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the Vendor so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the Contract.

l) The Vendor agrees that it shall assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of Vendors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it shall furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it shall otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

m) The Vendor further agrees that it shall refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a Vendor debarred from, or who has not demonstrated eligibility for, Government Contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon Vendors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the Vendor agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part any relevant grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the Vendor under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such Vendor; and refer the case to the Department of Justice for appropriate legal proceedings.

9. **PAYMENT TERMS:** Payment terms are net not later than 30 days after receipt of a correct invoice or acceptance of goods, whichever is later. The Procuring Agency is responsible for all payments to the Vendor under the Contract. Payment by some agencies may be made by procurement card. If the Vendor accepts Visa, MasterCard, etc., from other customers, it shall accept procurement card payment by the State under the terms provided for the procurement card. 01 NCAC 05B.1523. If payment is made by procurement card, then payment for amounts then due may be processed immediately by the Vendor.

   The State does not agree in advance, in contract, pursuant to Constitutional limitations, to pay costs such as interest, late fees, penalties or attorney's fees. This Contract will not be construed as an agreement by the State to pay such costs and will be paid only as ordered by a court of competent jurisdiction.

10. **CONDITION AND PACKAGING:** Unless otherwise expressly provided by special terms and conditions or specifications in the Contract or by express, specific federal law or rule, it is understood and agreed that any item offered or shipped has not been sold or used for any purpose, is newly manufactured,

and shall be in first class condition. All containers/packaging shall be suitable for handling, storage or shipment.

11. INTELLECTUAL PROPERTY WARRANTY AND INDEMNITY: Vendor shall hold and save the State, its officers, agents and employees, harmless from liability of any kind, including costs and expenses, resulting from infringement of the rights of any third party in any Services or copyrighted material, patented or patent-pending invention, article, device or appliance delivered in connection with the Contract.

a) Vendor warrants to the best of its knowledge that:

1. Performance under the Contract does not infringe upon any intellectual property rights of any third party; and

2. There are no actual or threatened actions arising from, or alleged under, any intellectual property rights of any third party.

b) Should any deliverables supplied by Vendor become the subject of a claim of infringement of a patent, copyright, trademark or a trade secret in the United States, the Vendor, shall at its option and expense, either procure for the State the right to continue using the deliverables, or replace or modify the same to become non-infringing. If neither of these options can reasonably be taken in Vendor's judgment, or if further use shall be prevented by injunction, the Vendor agrees to cease provision of any affected deliverables and refund any sums the State has paid Vendor for such deliverables and make every reasonable effort to assist the State in procuring substitute deliverables. If, in the sole opinion of the State, the cessation of use by the State of any such deliverables due to infringement issues makes the retention of other items acquired from the Vendor under this Agreement impractical, the State shall then have the option of terminating the Agreement, or applicable portions thereof, without penalty or termination charge; and Vendor agrees to refund any sums the State paid for unused Services or other deliverables.

c) The Vendor, at its own expense, shall defend any action brought against the State to the extent that such action is based upon a claim that the deliverables supplied by the Vendor, their use or operation, infringe on a patent, copyright, trademark or violate a trade secret in the United States. The Vendor shall pay those costs and damages finally awarded or agreed in a settlement against the State in any such action. Such defense and payment shall be conditioned on the following:

1. That the Vendor shall be notified within a reasonable time in writing by the State of any such claim; and

2. That the Vendor shall have the sole control of the defense of any action on such claim and all negotiations for its settlement or compromise provided, however, that the State shall have the option to participate in such action at its own expense.

d) Vendor will not be required to defend or indemnify the State to the extent any claim by a third party against the State for infringement or misappropriation results solely from the State's material alteration of any Vendor-branded deliverables or Services, or from the continued use of the Services or other deliverables after receiving written notice from the Vendor of the claimed infringement.

12. ADVERTISING: Vendor agrees not to use the existence of the Contract or the name of the State of North Carolina as part of any commercial advertising or marketing of products or Services except as provided in 01 NCAC 05B.1516. A Vendor may inquire whether the State is willing to be included on a listing of its existing customers.

13. ACCESS TO PERSONS AND RECORDS: During, and after the term hereof during the relevant period required for retention of records by State law (G.S. 121-5, 132-1 *et seq.,* typically five years), the State Auditor and any Purchasing Agency's internal auditors shall have access to persons and records related to the Contract to verify accounts and data affecting fees or performance under the Contract, as provided in G.S. 143-49(9). However, if any audit, litigation or other action arising out of or related

in any way to this project is commenced before the end of the such retention of records period, the records shall be retained for one (1) year after all issues arising out of the action are finally resolved or until the end of the record retentions period, whichever is later.

14. ASSIGNMENT OR DELEGATION OF DUTIES:

a) As a convenience to the Vendor, the State may include any person or entity designated by the Vendor in writing as a joint payee on the Vendor's payment check. In no event shall such approval and action obligate the State to anyone other than the Vendor.

b) If Vendor requests any assignment, or delegation of duties, the Vendor shall remain responsible for fulfillment of all Contract obligations. Upon written request, the State may, in its unfettered discretion, approve an assignment or delegation to another responsible entity acceptable to the State, such as the surviving entity of a merger, acquisition or a corporate reorganization if made as part of the transfer of all or substantially all of the Vendor's assets. 01 NCAC 05B.1507. Any purported assignment or delegation made in violation of this provision shall be void and a material breach of the Contract. G.S. 143-58.

15. INSURANCE: This section provides minimum insurance coverage rates that are applicable to most moderate risk solicitations. Agency Risk Analysis will determine if higher insurance coverage amounts are needed based on the likelihood and severity of exposure to the State. The analysis is documented in writing in the official file and considers the following non-exclusive factors:

1. Potential for damage to State property or property of a third party,
2. Potential for bodily injury to State employees or third parties,
3. Whether Vendor will transport State property, clients, or employees,
4. Use of a vehicle to accomplish the work or to travel to or from State locations,
5. Anticipated physical contacts of the Vendor with the State,
6. Anticipated number and activity of Vendor personnel within the State, and
7. Any other unique considerations that could result in harm, bodily injury, or property damage.

The Purchasing Agency has specified elsewhere in this Contract any increase in the minimum insurance coverage requirements below if the risk from the above factors is high.

a) REQUIREMENTS - Providing and maintaining adequate insurance coverage is a material obligation of the Vendor and is of the essence of the Contract. All such insurance shall meet all laws of the State of North Carolina. Such insurance coverage shall be obtained from companies that are authorized to provide such coverage and that are authorized by the NC Commissioner of Insurance to do business in North Carolina. The Vendor shall at all times comply with the terms of such insurance policies, and all requirements of the insurer under any such insurance policies, except as they may conflict with existing North Carolina laws or the Contract. The limits of coverage under each insurance policy maintained by the Vendor shall not be interpreted as limiting the Vendor's liability and obligations or the indemnification requirements under the Contract. As provided above, a State agency is authorized, upon written evaluation and substantiation in the official file of the significant risk of bodily injury and/or property or other damage in the contract, to require and enforce higher coverage limits to mitigate the potential risk of liability to the State.

b) COVERAGE - During the term of the Contract, the Vendor at its sole cost and expense shall provide commercial insurance of such type and with such terms and limits as may be reasonably associated with the Contract. At a minimum, the Vendor shall provide and maintain the following coverage and limits, subject to higher requirements by an agency after the risk analysis indicated above:

1. **For Small Purchases** as defined under North Carolina Administrative Code 01 NCAC 05A.0112 (35) and 05B.0301 (1), the minimum applicable insurance requirements for Worker's Compensation and Automobile Liability will apply as required by North Carolina law. The Purchasing Agency may require Commercial General Liability coverage consistent with the assessed risks involved in the procurement.

2. **For Contracts valued in excess of the Small Purchase threshold, but up to $1,000,000.00 the following limits shall apply:**

i. **Worker's Compensation** - The Vendor shall provide and maintain Worker's Compensation Insurance, as may be required by the laws of North Carolina, as well as employer's liability coverage, with minimum limits of $250,000.00, covering all of Vendor's employees who are engaged in any work under the Contract in North Carolina. If any work is sub-Contracted, the Vendor shall require the sub-contractor to provide the same coverage for any of its employees engaged in any work under the Contract within the State.

ii. **Commercial General Liability** - General Liability Coverage on a Comprehensive Broad Form on an occurrence basis in the minimum amount of $500,000.00 Combined Single Limit. Defense costs shall be in excess of the limit of liability.

iii. **Automobile** - Automobile Liability Insurance, to include liability coverage covering all owned, hired and non-owned vehicles, used within North Carolina in connection with the Contract. The minimum combined single limit shall be $250,000.00 bodily injury and property damage; $250,000.00 uninsured/under insured motorist; and $2,500.00 medical payment.

3. For Contracts valued in excess of $1,000,000.00 the following limits shall apply:

i. **Worker's Compensation** - The Vendor shall provide and maintain Worker's Compensation Insurance, as may be required by the laws of North Carolina, as well as employer's liability coverage, with minimum limits of $500,000.00, covering all of Vendor's employees who are engaged in any work under the Contract in North Carolina. If any work is sub-Contracted, the Vendor shall require the sub-contractor to provide the same coverage for any of its employees engaged in any work under the Contract within the State.

ii. **Commercial General Liability** - General Liability Coverage on a Comprehensive Broad Form on an occurrence basis in the minimum amount of $1,000,000.00 Combined Single Limit. Defense costs shall be in excess of the limit of liability.

iii. **Automobile** - Automobile Liability Insurance, to include liability coverage covering all owned, hired and non-owned vehicles, used within North Carolina in connection with the Contract. The minimum combined single limit shall be $500,000.00 bodily injury and property damage; $500,000.00 uninsured/under insured motorist; and $5,000.00 medical payment.

16. GENERAL INDEMNITY:

a) The Vendor shall indemnify, defend and hold and save the State, its officers, agents, and employees, harmless from liability of any kind, including all claims and losses accruing or resulting to any other person, firm, or corporation furnishing or supplying work, Services, materials, or supplies in connection with the performance of the Contract, and also from any and all claims and losses accruing or resulting to any person, firm, or corporation that may be injured or damaged by the Vendor in the performance of the Contract that are attributable to the negligence or intentionally tortious acts of the Vendor, provided that the Vendor is notified in writing within 30 days from the date that the State has knowledge of such claims.

b) The Vendor, at its own expense shall defend any action brought against the State, under this section. The Vendor shall have the sole control of the defense of any action on such claim and all negotiations for its settlement or compromise, provided, however, that the State shall have the option to participate in such action at its own expense.

c) The Vendor represents and warrants that it shall make no claim of any kind or nature against the State's agents who are involved in the delivery or processing of Vendor deliverables or Services as part of this Contract with the State.

d) As part of this provision for General indemnity, if federal funds are involved in this procurement, the Vendor warrants that it will comply with all relevant and applicable federal requirements and laws, and will indemnify, defend and hold and save the State harmless from any claims or losses resulting to the State from the Vendor's noncompliance with such federal requirements or law in the performance of this Contract. The representations and warranties in the preceding two sentences shall survive the termination or expiration of the Contract.

e) The State does not participate in indemnification due to Constitutional restrictions, or arbitration, which effectively and unacceptably waives jury trial. *See,* G.S. 22B-3, -10.

17. ELECTRONIC PROCUREMENT: (G.S. 143-48.3)

GENERALLY APPLICABLE TO GOODS AND SERVICES PURCHASES:

a) Purchasing shall be conducted through the Statewide E-Procurement Service. The State's third-party agent shall serve as the Supplier Manager for this E-Procurement Service. The Vendor shall register for the Statewide E-Procurement Service within two (2) business days of notification of award in order to receive an electronic purchase order resulting from award of this Contract.

b) The Supplier Manager will capture an order from a State approved user, including the shipping and payment information, and submit the order in accordance with E-Procurement Service procedures. Subsequently, the Supplier Manager will send those orders to the appropriate Vendor on State Contract. The State or State-approved user, not the Supplier Manager, shall be responsible for the solicitation, bids received, evaluation of bids received, award of Contract, and the payment for goods delivered.

c) Vendor shall at all times maintain the confidentiality of its username and password for the Statewide E-Procurement Services. Vendor shall be responsible for all activity and all charges by its agents or employees. Vendor agrees not to permit a third party to use its E-Procurement Services account. If there is a breach of security through the Vendor's account, Vendor shall immediately change its password and notify the Supplier Manager of the security breach by email. Vendor shall cooperate with the State and the Supplier Manager to mitigate and correct any security breach.

E-PROCUREMENT FEES – APPLICABLE ONLY TO GOODS PURCHASES

d) **THE SUCCESSFUL BIDDER(S) SHALL PAY A TRANSACTION FEE, CURRENTLY 1.75% (.0175), ON THE TOTAL DOLLAR AMOUNT (EXCLUDING SALES TAXES) FOR THE AMOUNT OF ANY GOODS INCLUDED ON EACH PURCHASE ORDER ISSUED THROUGH THE STATEWIDE E-PROCUREMENT SERVICE (OR ANY OFFICIAL REPLACEMENT SERVICE). G.S. 66-58.12; See, *NC E-Procurement Terms of Use.*** This applies to all purchase orders, regardless of the quantity or dollar amount of the purchase order. The transaction fee shall not be stated or included as a separate item on the invoice. Vendor will receive a credit for transaction fees they paid for the purchase of any item(s) if an item(s) is returned through no fault of the Vendor. Transaction fees are non-refundable when an item is rejected and returned, or declined, due to the Vendor's failure to perform or comply with specifications or requirements of the Contract.

e) Vendor or its Authorized Reseller, as applicable, will be invoiced monthly for the State's transaction fee by the E-Procurement Supplier Manager (Supplier Manager), based on a) purchase activity for the prior month, or b) purchases for which the supplier invoice has been paid. Unless the Supplier Manager receives written notice from the Vendor identifying with specificity any errors in an invoice for the transaction fee within thirty (30) days of the receipt of invoice, such invoice shall be deemed to be correct and Vendor shall have waived its right to later dispute the accuracy and completeness of the invoice. Payment of the transaction fee by the Vendor is due to the account designated by the State within thirty (30) days after receipt of the invoice for the transaction fee, or it shall be considered a material breach of Contract.

Pursuant to G.S. 147-86.23, the service will charge 1) interest on past due balances at the rate set by the Secretary of Revenue pursuant to G.S. 105-241.21 as of the date the balances are past due, and, 2) late payment penalties, currently ten percent (10%) of the account receivable. No interest shall be charged on disputed and overdue amounts to the extent the State agrees to reduce or adjust the amount in dispute. The Supplier Manager shall provide, whenever reasonably requested by the Vendor in writing (including electronic documents), supporting documentation from the E-Procurement Service that accounts for the amount of the invoice.

18. **SUBCONTRACTING:** Performance under the Contract by the Vendor shall not be subcontracted without prior written approval of the State's assigned Contract Lead. Unless otherwise agreed in writing, acceptance of a Vendor's proposal shall include approval to use the subcontractor(s) that have been specified therein.

19. **CONFIDENTIALITY:** Vendor information that cannot be shown to be, e.g., a trade secret, may be subject to public disclosure under the terms of the State Public Records Act (SPRA), beginning at G.S. 132.1. Blanket assertions of confidentiality are not favored, but confidentiality of specific material meeting one or more exceptions in the SPRA will be honored. Vendors are notified that if the confidentiality of material is challenged by other parties, the Vendor has the responsibility of defending the assertion of confidentiality. G.S. 143-52(a).

20. **CARE OF STATE DATA AND PROPERTY:** Any State property, information, data, instruments, documents, studies or reports given to or prepared or assembled by or provided to the Vendor under the Contract shall be kept as confidential, used only for the purpose(s) required to perform the Contract and not divulged or made available to any individual or organization without the prior written approval of the State.

    The State's data and property in the hands of the Vendor shall be protected from unauthorized disclosure, loss, damage, destruction by a natural event or another eventuality. The Vendor agrees to reimburse the State for loss or damage of State property while in Vendor's custody. Such State Data shall be returned to the State in a form acceptable to the State upon the termination or expiration of this Agreement.

    The Vendor shall notify the State of any security breaches within 24 hours as required by G.S. 143B-1379. For further information, *see*, G.S. 75-60 *et seq.* **Notice** is given to the Vendor that the NC Department of Information Technology (DIT) has requirements relating to the security of the State network, and rules relating to the use of the State network, IT software and equipment, that the Vendor must comply with, as applicable. *See,* e.g., G.S. 143B-1376.

21. **OUTSOURCING:** Any Vendor or subcontractor providing call or contact center services to the State of North Carolina or any of its agencies shall disclose to inbound callers the location from which the call or contact center services are being provided.

    If, after award of a Contract, and consistent with any applicable NC DIT security provisions, the Contractor wishes to relocate or outsource any portion of performance to a location outside the United States, or to contract with a subcontractor for any such performance, which subcontractor and nature of the work has not previously been disclosed to the State in writing, prior written approval must be obtained from the State Purchasing Agency. Vendor shall give notice to the Purchasing Agency of any relocation of the Vendor, employees of the Vendor, subcontractors of the Vendor, or other persons providing performance under a State Contract to a location outside of the United States. *See,* G.S. 143-59.4.

22. **ENTIRE AGREEMENT:** The Contract (including any documents mutually incorporated specifically therein) resulting from a relevant solicitation represents the entire agreement between the parties and supersedes all prior oral or written statements or agreements. All promises, requirements, terms, conditions, provisions, representations, guarantees, and warranties contained herein shall survive the Contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable Federal or State statutes of limitation.

23. **ELECTRONIC RECORDS:** The State will digitize all Vendor responses to the relevant solicitation, if not received electronically, as well as any awarded Contract together with associated procurement-related documents. These electronic copies shall constitute a preservation record and shall serve as the official record of this procurement with the same force and effect as the original written documents

comprising such record. Any official electronic copy, printout or other output readable by sight shown to reflect such record accurately shall constitute an "original."

24. AMENDMENTS: This Contract may be amended only by a written amendment duly executed by the State and the Vendor.

25. NO WAIVER: Notwithstanding any other language or provision in the Contract or in any Vendor-supplied material, nothing herein is intended nor shall be interpreted as a waiver of any right or remedy otherwise available to the State under applicable law. The waiver by the State of any right or remedy on any one occasion or instance shall not constitute or be interpreted as a waiver of that or any other right or remedy on any other occasion or instance.

26. FORCE MAJEURE: Neither party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from performing such obligations as a result of events beyond its reasonable control, including, without limitation, fire, power failures, any act of war, hostile foreign action, nuclear explosion, riot, strikes or failures or refusals to perform under subcontracts, civil insurrection, earthquake, hurricane, tornado, other catastrophic epidemic or pandemic, natural event or Act of God.

27. SOVEREIGN IMMUNITY: Notwithstanding any other term or provision in the Contract, nothing herein is intended nor shall be interpreted as waiving any claim or defense based on the principle of sovereign immunity or other State or federal constitutional provision or principle that otherwise would be available to the State under applicable law.

28. FEDERAL FUNDS PROVISIONS:

***Where federal funds are utilized in connection with this procurement, and to the extent applicable* and absent stricter or controlling State provisions, the following federal provisions (in addition to the North Carolina General Terms and Conditions above) may apply consistent with Uniform Guidance in 2 C.F.R. § 200.326 and 2 C.F.R. Part 200, and its Appendix II. Relevant federal authorities may require additional provisions depending on the scope and context of the Contract.** Failure or unwillingness of the Vendor to continually meet any of these requirements, as applicable, may result in Contract termination.

Any links to websites not maintained by the State are provided as a courtesy. The State does not warrant or guarantee the accuracy of the hyperlink or the information contained therein.

a) **No governmental non-competes.** Vendor shall not impose or enforce any non-competition agreement upon the employees included in Vendor's bid that would prevent those employees from accepting any offer of employment from the State of North Carolina outside of the first Term of the Contract. By executing this Contract, the Vendor affirms this condition. This affirmation is a material condition for the State's award of any work under this Contract.

b) **Program Monitoring**. Vendor agrees to assist and cooperate with the Federal grantor or funding agency and the relevant Purchasing Agency or their duly designated representatives in the monitoring of the project or projects to which this Contract relates, and to provide in form and manner approved by the Purchasing Agency such monitoring reports, progress reports, and the like as may be required and to provide such reports at the times specified.

c) **Remedies and Termination**. For purposes of this section the State Remedies and Termination provisions above apply as written.

d) **Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708).**

Compliance with the Contract Work Hours and Safety Standards Act.

1. *Overtime requirements*. No Vendor or subcontractor contracting for any part of the Contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-

half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

2. *Violation; liability for unpaid wages; liquidated damages.* In the event of any violation of the clause set forth in 29 C.F.R. §5.5(b)(1) the Vendor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Vendor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in 29 C.F.R. §5.5(b)(1), in the sum of $26 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in 29 C.F.R. §5.5(b)(1).

3. *Withholding for unpaid wages and liquidated damages*. The Purchasing Agency shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Vendor or subcontractor under any such contract or any other Federal contract with the same prime Vendor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime Vendor, such sums as may be determined to be necessary to satisfy any liabilities of such Vendor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in 29 C.F.R. §5.5(b)(2).

4. *SubContracts*. The Vendor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (b)(1) through (4) of 29 C.F.R. §5.5 and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime Vendor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in 29 C.F.R. §5.5(b)(2) through (4).

e) **CLEAN AIR ACT AND THE FEDERAL WATER POLLUTION CONTROL ACT**.

Clean Air Act

1. The Vendor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
2. The Vendor agrees to report each violation to the Purchasing Agency and understands and agrees that the Purchasing Agency will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
3. The Vendor agrees to include these requirements in each subcontract exceeding $150,000 financed in whole or in part with Federal assistance.

Federal Water Pollution Control Act

1. The Vendor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.

2. The Vendor agrees to report each violation to the Purchasing Agency and understands and agrees that the Purchasing Agency will, in turn, report each violation as required to assure notification to the federal agency providing funds hereunder, and the appropriate Environmental Protection Agency Regional Office.

3. The Vendor agrees that these requirements will be included in each subcontract exceeding $150,000 financed in whole or in part with Federal assistance.

f) **Debarment and Suspension.**

1. This Contract, if federal funding is used, is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, the Vendor is required to verify that none of the Vendor's principals (defined at 2 C.F.R. § 180.995) or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
2. The Vendor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.
3. This certification is a material representation of fact relied upon by a federal agency providing federal funds herein and the Purchasing Agency. If it is later determined that the Vendor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to federal agency providing federal funds herein and the Purchasing Agency, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.
4. The Vendor agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of the Contract resulting from a relevant solicitation herein. The Vendor further agrees to include a provision requiring such compliance in its lower tier covered transactions.

g) **Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)** (as Amended).

To the extent applicable, Vendors that apply or bid for an award of $100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal Contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the awarding agency.

Required Certification. If applicable, Vendors must sign and submit to the Purchasing Agency the certification. See the latest version of "Certification for Contracts, Grants, Loans, and Cooperative Agreements" found at https://ncadmin.nc.gov/documents/vendor-forms.

h) **Procurement of Recovered Materials.**

1. Unless specified otherwise in the Contract, in the performance of this Contract, the Vendor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired:
    - Competitively within a timeframe providing for compliance with the Contract performance schedule;
    - Meeting Contract performance requirements; or
    - At a reasonable price.
2. Information about this requirement, along with the list of EPA designated items, is available at EPA's Comprehensive Procurement Guidelines web site: https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program
3. The Vendor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act."

i) **Access to Records**. In addition to the North Carolina General Contract Terms & Conditions section entitled "**ACCESS TO PERSONS AND RECORDS"** included in this Contract, the following access to records requirements apply to this Contract:

1. The Vendor agrees to provide the Purchasing Agency, the Administrator of the federal agency providing funds hereunder, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Vendor which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts, and transcriptions.
2. The Vendor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
3. The Vendor agrees to provide the Administrator of the federal agency providing funds hereunder or his authorized representative access to construction or other work sites pertaining to the work being completed under the Contract.
4. In compliance with the Disaster Recovery Act of 2018, the Purchasing Agency and the Vendor acknowledge and agree that no language in this Contract is intended to prohibit audits or internal reviews by the Administrator of the federal agency providing funds hereunder or the Comptroller General of the United States.

j) **Modifications to Contract.** Modifications to the Contract are governed by the North Carolina General Contract Terms & Conditions section above entitled "**AMENDMENTS**," except as approval and signature by any federal official may also be required.

k) **Records Retention.** All records required to be kept on the project shall be maintained for at least five (5) years after final payments and until all other pending matters under the grant for this project have been closed. However, if any audit, litigation or other action arising out of or related in any way to this project is commenced before the end of the five (5) year period, the records shall be retained for one (1) year after all issues arising out of the action are finally resolved or until the end of the five (5) year period, whichever is later.

l) **Energy Efficiency**. All participants in the projects funded hereby shall recognize mandatory standards and policies relating to energy efficiency, which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (PL 94-163).

m) **Program Fraud and False or Fraudulent Statements or Related Acts.** Vendor acknowledges that 31 U.S.C. Chapter 38 (Administrative Remedies for False Claims and Statements) applies to its actions pertaining to the Contract.

n) **No Obligation by Federal Government.** The Federal Government is not a party to this Contract and is not subject to any obligations or liabilities to the non-Federal entity, Vendor, or any other party pertaining to any matter resulting from the Contract.

o) **Compliance with Federal Law, Regulations, and Executive Orders.** This is an acknowledgement that federal financial assistance will be used to fund all or a portion of the Contract. The Vendor will comply with all applicable Federal law, regulations, executive orders, the policies of the federal agency(ies) providing funding, procedures, and directives.

p) **Federal Seals, Logos, and Flags**. In addition to the prohibitions of the North Carolina General Contract Terms & Conditions section above entitled "**ADVERTISING,"** the Vendor shall not use the seal(s), logos, crests, or reproductions of flags of a federal agency providing funding herein, or likenesses of federal agency officials without specific pre-approval of the relevant federal agency.

q) **System for Awards Management**. Vendor shall be responsible to ensure that it has checked the federal System for Awards Management (SAM) https://www.sam.gov/SAM/ and the State Debarred Vendors Listing, https://ncadmin.nc.gov/documents/nc-debarred-vendors to verify that Contractors

or sub-Recipients have not been suspended or debarred from doing business with federal or State government.



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ATTACHMENT A: PRICING FORM

COST SCHEDULE

Vendor shall provide its best hourly rates in the form of base rate and upper rate for an auditor, audit supervisor and audit executive in the appropriate columns provided below or a duplicate of this form. For staff, supervisor, and executive descriptions, see Section 4.9 of the RFP.

This table captures audit staff compensation rates only and does not include travel or related business expenses. All travel and business expenses, if any, will be subject to North Carolina state travel guidelines and requirements and are required to be presented as part of the issuance of a specific SOW, after approved Vendors have been selected. Chapter 5 of the North Carolina Budget Manual provides primary guidance on state travel guidelines and restrictions and can be found at:

https://www.osbm.nc.gov/budget/budget-manual

					OTHER PROFESSIONAL STAFF *Vendors may enter provide rates for additional staff categories, if applicable.*		
Services Category	**Staff Base Rate**	**Staff Upper Rate**	**Supervisor**	**Executive**	**Data Analytic Other Professional Staff**		
Operational/Performance Audit	125	**175**	175-265	350-475			
Investigative Audit	125	175	175-265	350-475			
Compliance Audit	125	175	175-265	350-475			
Information System Audit	125	175	175-265	350-475			
Risk Assessment and Audit Plan	125	175	175-265	350-475			
Development	125	175	175-265	350-475			
Financial Audit	N/A	N/A	N/A	N/A			
Data Analytic Services	145	250	250-325	325-475	225 - 325		
Managerial Advisory Services	125	175	175-265	350-475			
Accounting Services	125	175	175-265	350-475			