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: Mauldin & Jenkins LLC	EMAIL: droberts@mjcpa.com	
STREET ADDRESS: 4208 Six Forks Road, Suite 1000	P.O. BOX:	ZIP:27609
CITY & STATE & ZIP: Raleigh, NC 27609	TELEPHONE NUMBER: 833-818-0406	TOLL FREE TEL. NO: 833-818-0406
TYPE OR PRINT NAME & TITLE OF PERSON SIGNING: David Roberts	FAX NUMBER: 803-799-5554	
AUTHORIZED SIGNATURE: David Roberts	DATE: 10/30/2023	

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 **1st** 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.

Mauldin & Jenkins, LLC – Best and Final Offer

Below is the Best and Final Offer for the hourly rates by position classification.

Proposal Number DPC-646236801-MT

ATTACHMENT A: PRICING FORM

COST SCHEDULE - BAFO

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*		
Services Category	**Staff Base Rate**	**Staff Upper Rate**	**Supervisor**	**Executive**	**Specialists**		
Operational/Performance Audit	$175	$215	$250	$305	$350		
Investigative Audit	175	215	250	305	350		
Compliance Audit	175	215	250	305	350		
Information System Audit	175	215	250	305	350		
Risk Assessment and Audit Plan	175	215	250	305	350		
Development	175	215	250	305	350		
Financial Audit	175	215	250	305	350		
Data Analytic Services	175	215	250	305	350		
Managerial Advisory Services	175	215	250	305	350		
Accounting Services	175	215	250	305	350		
Change [$] in Hourly Rate	($10)	($10)	($25)	($20)	($25)		
Change [%]	-5.4%	-4.4%	-9.1%	-6.2%	-6.7%		

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.

3.7

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

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

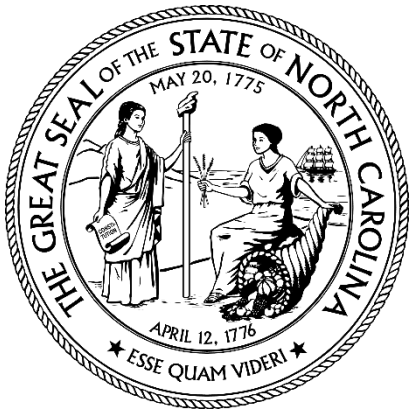
☐ A response was submitted prior to this Addendum. An updated response has been submitted to address the changes resulting from this Addendum.

☐ 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

David Roberts	9/1/2023
Authorized Signature	Date
David G. Roberts	Partner
Printed Name	Title



STATE OF NORTH CAROLINA

Division of Purchase and Contract

Request for Proposal #: DPC-646236801-MT

Supplemental Internal Audit, Assurance, Accounting, Data Analytics, and Managerial Advisory Services

Date of Issue: July 14, 2023

Proposal Opening Date: August 22, 2023

At 2:00 PM ET

Direct all inquiries concerning this RFP to:

Melinda Y. Tomlinson

State Procurement Manager

Email: Melinda.tomlinson@doa.nc.gov

Phone: 984-236-0238

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: Mauldin & Jenkins, LLC		
STREET ADDRESS: 4208 Six Forks Road Suite 1000.	P.O. BOX:	ZIP:
CITY & STATE & ZIP: Raleigh, NC 27609	TELEPHONE NUMBER: 833.818.0406	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: David G. Roberts, Partner	FAX NUMBER: 803.799.5554	

VENDOR'S AUTHORIZED SIGNATURE*:	**DATE:**	EMAIL:
David Roberts	9/1/2023	droberts@mjcpa.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 toreview 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 reviewinga 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:	Tim Lyons, Partner
Office Phone #:	833.818.0406
Mobile Phone #:	770.880.9854
Email:	tlyons@mjcpa.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:	Tim Lyons, Partner
Office Phone #:	833.818.0406
Mobile Phone #:	770.880.9854
Email:	tlyons@mjpa.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

PROPOSAL for

NC DOA
Department of Administration

Prepared for: The State of North Carolina Department of Administration - Division of Purchase and Contract

Managerial Advisory Services

Proposal: DPC-646236801-MT

Division of Purchase and Contract
116 W Jones St #4,
Raleigh, NC 27603



Prepared by:

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Mauldin & Jenkins
mjcpa.com
4208 Six Forks Road
Suite 1000
Raleigh, NC 27609

September 6, 2023

MJ Government Advisory
Real Insight. Real Results.

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Letter of Transmittal

September 6, 2023

North Carolina Department of Administration
Division of Purchase and Contract
116 W Jones St #4,
Raleigh, NC 27603

Dear Evaluation Committee,

On behalf of Mauldin & Jenkins ("M&J"), I would like to thank you for the opportunity to respond to the North Carolina Department of Administration's ("DOA," "Department," or "NCDOA") request for proposal ("RFP") to establish a Statewide Term Contract ("STC") to provide for the State's need of pre-qualified Vendors for supplemental internal auditing, assurance, accounting, and managerial advisory services on an as-needed basis. We commend NCDOA for continuously undertaking such a strategic initiative that assesses and enhances the State's finances, operations, and performance with the mission of strengthening internal controls, lowering risks, and implementing leading practices.

We understand that the scope of the STC includes the following types of services:

- Operational/Performance Audits
- Investigative Audits
- Compliance Audits
- Information Systems Audits
- Data Analytics/Continuous Monitoring
- Risk Assessment and Audit Plan Development
- Financial Audit
- Accounting & Financial Services
- Managerial Advisory Services

We understand that the contract resulting from the RFP is mandatory for State Departments, most State Agencies, and State Higher Education Institutions, and may also be utilized by non-mandatory State Agencies and Other Eligible Entities. M&J is significantly qualified in each of the service areas listed in the scope and has provided services in each service area to many clients throughout the Southeast including North Carolina.

We have created a team specifically for this opportunity that has significant experience conducting internal audits, accounting, data analytics and managerial services with the mission of maintaining compliance, reducing risk, and enhancing efficiency and effectiveness. M&J's Government Advisory Practice lead partner, David Roberts, will serve as the engagement partner for the DOA and brings more than 23 years of governmental internal audit and management consulting experience to this project.

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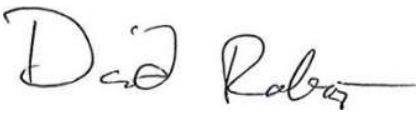
The M&J Team brings to NCDOA the following critical competencies necessary for this strategic contract:

- **Detailed Understanding of Public Sector Operations** – Mauldin & Jenkins is one of the largest certified public accounting firms in the country providing audit and advisory services throughout the United States. M&J was incorporated in 1918 and has been actively engaged in providing services to public sector entities since its inception, including state governments. M&J recognizes the unique fiscal pressures, compliance mandates, operating environments, and stakeholder groups that exist within state and local government organizations. As such, we have created a dedicated Government Practice that focuses solely on providing audit and advisory services to the public sector. Our Government Practice professionals have a deep understanding of public sector operations by serving as auditors and advisors, as well as serving in executive leadership positions within state government overseeing internal audit, assurance, and management consulting functions. We understand the importance of this project, the visibility it will have within the State, and the impact on future operations.

- **Unique Competencies of the Proposed Project Team** – Your proposed project team is led by M&J's Government Advisory Practice Leader, David Roberts. David joined M&J from a Big Four accounting firm where he led similar projects (including numerous large state government initiatives) across the country for more than 23 years. The proposed M&J Team also includes former State management executives who oversaw internal audit, program management, technology, facilities, human resources, and finance (budget, grants management, capital planning, etc.) functions. We have sat in your chair, understand the unique government environment, and know the importance and positive impact that internal audit, assurance, and consulting engagement can achieve.

Our service offerings encompass the operating needs and challenges that State agencies, departments, and higher education entities face on a regular basis, and not only help clients manage the present but also effectively plan for the future. Our internal audit, assurance, and consulting services are anchored by proven methodologies that bring rigor, innovation, and results to all of our engagements. M&J brings to market a team that has direct experience as internal auditors, external auditors, transformation consultants, and change agents to help state entities today become the leaders of tomorrow. We are confident that we will exceed your expectations and appreciate the opportunity to submit our proposal to you. Our proposal is subject to mutually agreeable terms and conditions. Please don't hesitate to contact me with any questions. Thank you.

Very truly yours,



Government Advisory Practice Lead Partner
(833) 818-0406
droberts@mjcpa.com

WHAT SETS US APART

MAULDIN & JENKINS is a leader in serving financial institutions throughout the country. Our leadership position was attained by changing the perceived "commodity" aspect of advisory services by adding value to the process. We recognize that we can be an important part of our client's success. Our objective always is to ensure that accurate information is given to the Board of Directors, Audit Committee, and management.



INSIDE PUBLIC ACCOUNTING TOP 100 FIRMS 2022

MAULDIN & JENKINS CPAs & ADVISORS

accountingTODAY 2023 Top 100 Firms

GOING FURTHER.

ASSURANCE | TAX | ADVISORY SERVICES

The information on the following pages supplement the forms provided to the North Carolina Department of Administration for request for proposal to establish a Statewide Term Contract ("STC") to provide for the State's need of pre-qualified Vendors for supplemental internal auditing assurance, accounting, and managerial advisory services on an as-needed basis. We have provided this information to provide context and additional information related to our Firm's capabilities, quality of services, and commitment to serving the State of North Carolina.

4.4. Company Experience

About Mauldin & Jenkins

Mauldin & Jenkins ("M&J") celebrates more than 100 years of providing assurance, tax, and advisory services to our clients. From our humble beginnings in 1918 to our current Firm of over 400 professionals and more than 325,000 hours provided to clients around the country, we remain focused on the core values that got us here. We maintain 12 offices in five states throughout the Southeast with our headquarters in Atlanta.

Mauldin & Jenkins is one of the largest certified public accounting firms in the country. While we are considered to be a large regional firm, we embrace the values and practices of a small local firm. M&J has established 10 core values that our professionals live by and bring to each engagement. Our core values differentiate us from other firms and enable trusted client relationships built on competency, integrity, and innovation. M&J core values are shown below and will be continuously demonstrated to eligible entities throughout our engagement.



Quality Work - We will maintain our history and culture of providing quality professional service to our clients while serving the public interest.



Ownership Culture - We are fully committed to our responsibility for our work quality, our financial performance, and our Firm's progress. We will maintain capital levels that require our partners to have significant investment in the Firm.



Our People - We will work to attract, develop, and retain the best and brightest people.



Stewardship - We will be good stewards of the Firm and will leave a multi-generational legacy of success.



Integrity - We will consistently take actions that promote trust and integrity.



High Performance - We are committed to long-term high-performance standards and results.



Firm Focus - Our objectives will center on the Firm and not the individual. We institutionalize our client service and our practice so that the long-term security of the Firm is protected, and as a result, the individual is also.



Community Service - We are committed to serving and providing leadership to our communities, profession, industries, and academic intuitions.



Fairness - We are committed to the fair treatment for our partners, our staff, and our clients



Risk Management - We will exercise prudent risk tolerance through effective risk management.

Government Practice

Public sector organizations, including, face pressures unlike any other industry – competing politics, variable revenues, aging systems, regulatory and compliance mandates, diverse stakeholder management – all while being responsible for providing safe, effective, and efficient services. Public sector organizations are constantly under a microscope and scrutinized in the public eye for operations and fiscal management. Public entities must wisely steward limited taxpayer resources while also attaining important goals that benefit citizens and stakeholders; maintaining robust organizations; and adapting to shifting priorities, budgets, and regulatory frameworks. We understand the public sector and have significant experience working with public sector governments of all sizes throughout the country. We applaud the State for taking a proactive approach in assessing and mitigating risk and enhancing efficiency and effectiveness through this STC.



At Mauldin & Jenkins, we recognize the uniqueness of the public sector and have created a dedicated practice of internal auditors and consultants that focus solely on serving public sector clients. We understand public sector motives and private sector methods – meaning that we bring leading practice internal audit, operational, and performance knowledge and insight to our engagements coupled with a deep understanding and appreciation for the public sector. In addition, the Practice includes consultants who have served in C-level executive management positions within state government overseeing internal audit, technology, facilities, human resources, finance (budget, grants management, capital planning, etc.) procurement, customer service, and program delivery functions.

Our Practice has national experience serving as internal audit, assurance and management consulting outsourced providers as well as establishing and delivering strategic initiatives focused on improving compliance, risk mitigation, operations, service delivery models, and stakeholder satisfaction. Core skills and services include helping clients with strategy, planning, auditing, organizational design, tool development, recommendation implementation, transformation, operational efficiency and effectiveness, and performance management. We have helped clients realize their strategic vision, maintain compliance, reduce risks, transform operations, improve service delivery, and reduce costs.

Utilizing the skills, talents, and experience of our seasoned government professionals, we proactively respond to the needs and requests of our clients bringing forward innovation and leading practices. We are fully equipped and ready to serve public sector organizations of any size. Our approach and methodologies are scalable, and assist in improving performance – from small, isolated issues, to large enterprise-wide barriers.

The Government Advisory Practice is led by David Roberts, who will serve as your Engagement Partner for this important project. Prior to joining M&J, David spent 20 years with a "Big 4" accounting/consulting firm and served as the firm's lead government advisory partner for the southeast. David has served numerous federal, state, and local governments throughout the country, to assess all aspects of operations and support services, benchmark operations to leading practices, and enhance operating efficiency and effectiveness. Joining David Roberts is Dave Jahosky, who is a M&J partner, and a leader in the Government Advisory Practice. Prior to joining M&J, Dave spent 14 years with a "Big 4" accounting/consulting firm and served as the lead government partner for the southeast State and Local Government Regulatory Compliance Practice. He has led numerous internal and compliance audits over his career measuring financial, programmatic, and operational compliance with governing requirements. Most recently, David was a Sr. Vice President for a national consulting firm where he led the Strategy, Risk and Compliance Practice.

Governmental Attestation Services

Other attestation services beyond financial and compliance audits which Mauldin & Jenkins currently provides to our clients include:

- Forensic audits
- Performance Audits
- Information Systems Audits
- Cybersecurity Assessments
- Agreed-upon Procedures
- Bond Issuance Services
- Capital Asset Inventory Services

Our Perspective on Internal Audit

In our experience, there is no single formula that ensures an effective Internal Audit function. Successful Internal Audit functions, however, share a common set of principles:

- The mission of Internal Audit is clear, agreed upon, and endorsed by the organization's leadership;
- Internal Audit's role goes beyond validating compliance – it is teamed with the organization and other assurance functions to mitigate and improve operational results;
- Audits are focused on things that matter; and
- Assessing and managing risk is a strategic imperative – not a one-time event, but an ongoing capability focused on emerging risk and changing organization priorities.

Developing and Validating your Internal Audit Strategy

Our approach to Internal Audit starts with the organization's mission and strategy – aligning our services with the core mission and required capabilities of your Internal Audit program. The first, foundational step in an Internal Audit outsourcing engagement is to co-develop and confirm the Internal Audit Strategy with key organizational stakeholders. The Mauldin & Jenkins Team will review and gain an understanding of how your current Internal Audit function's strategy was defined and articulated, whether it was internally run and staffed or if the services were provided by an outside service provider.



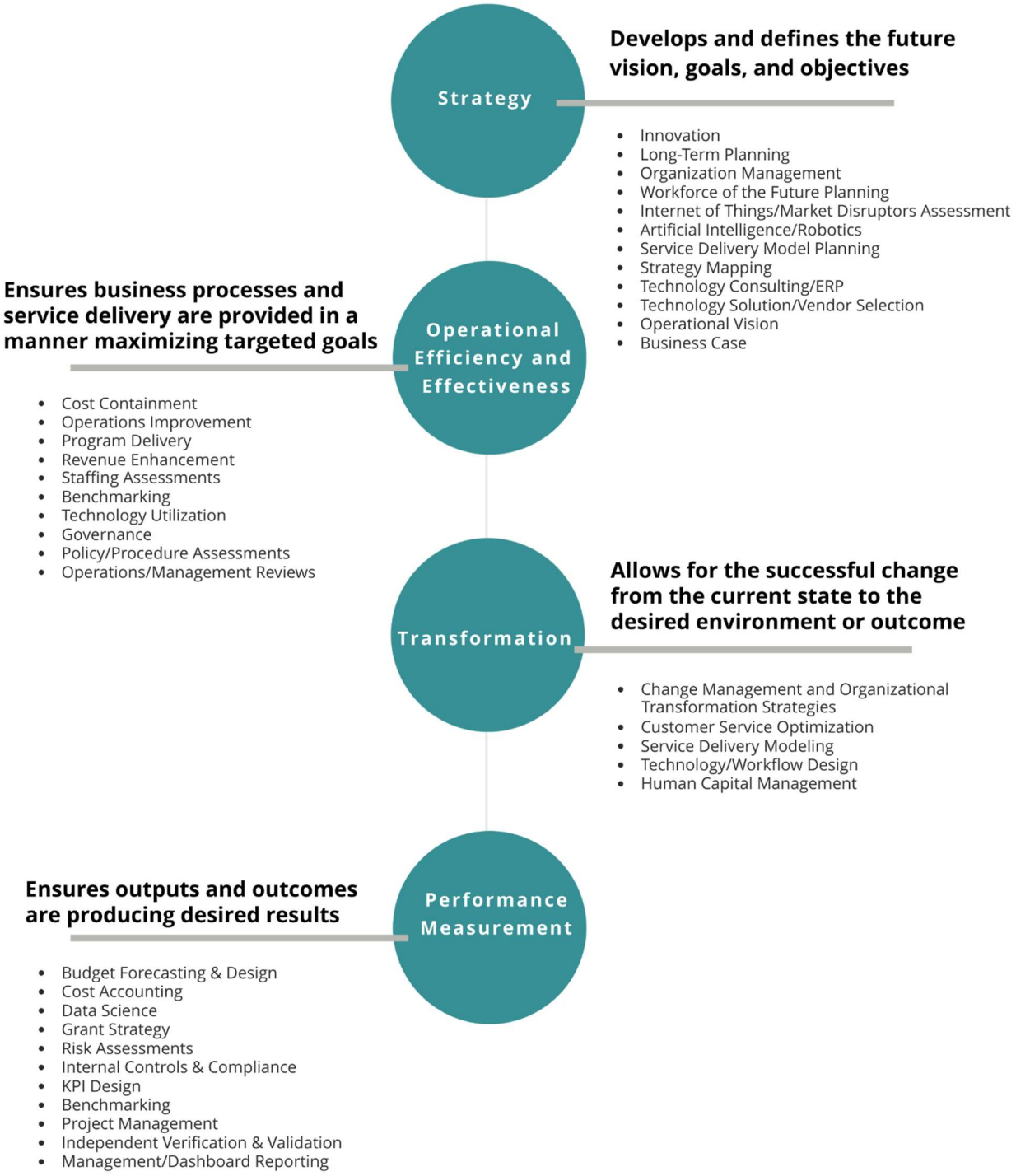
Specifically, we will seek to understand how your risk universe was defined, how risks were assessed and prioritized, what audits were performed, the mix of compliance and operational reviews, and how audit results were reported, reviewed, and tracked. We will then meet with key stakeholders, including leadership and core process owners to understand:

- Expectations for your Internal Audit function;
- What has worked well in the past and what refinements are needed;
- Perspectives on operationalizing your strategy and attendant emerging risks; and
- View of the risk and control environment, operational results, and targeted improvements.

This step ensures that we tailor our services to your specific need, whether just a refinement or a total revamp of the Internal Audit approach. Further, each of the elements depicted above become a deliverable that is continually validated and enhanced over the life of the Internal Audit outsourcing engagement.

Four Pillars of Excellence

We have extensive experience and qualifications related to a diverse set of management consulting service offerings. We have the depth and breadth to satisfy almost any client need. As our competencies are wide ranging and individual client needs range in scope, we have organized our Practice into four strategic focus areas which contain numerous service offerings and skill sets. We have dedicated professionals who specialize in each of our focus areas, or "Four Pillars of Excellence".



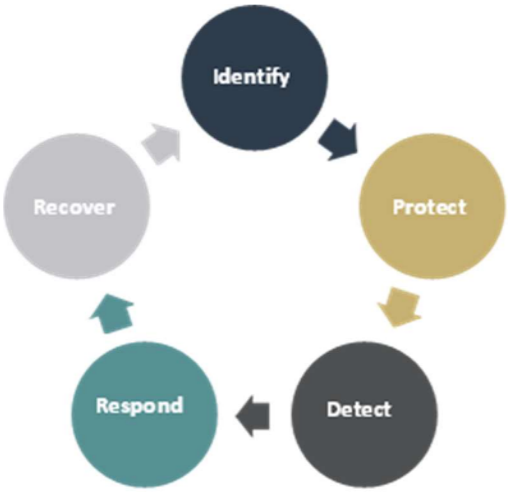
Our Practice's Four Pillars of Excellence are as follows:

We have extensive experience providing the previously described services with public sector clients throughout the country. Our professionals have delivered the services as consultants and have experience as public sector executives overseeing strategy, performance, operations, and internal audit programs. We have sat in your chair and understand the high level of professionalism, competency, innovation, integrity, and commitment to quality that you expect from your consultants and advisors. We will exceed your expectations and provide a positive and collaborative working relationship. Our organization and skill sets align very well to the scope of services desired for this State Term Contract. We have the skills, qualifications, and leading practice insight to hit the ground running for this important contract.

Governmental IT Solutions

Mauldin & Jenkins performs various IT attestation and non-attestation services such as:

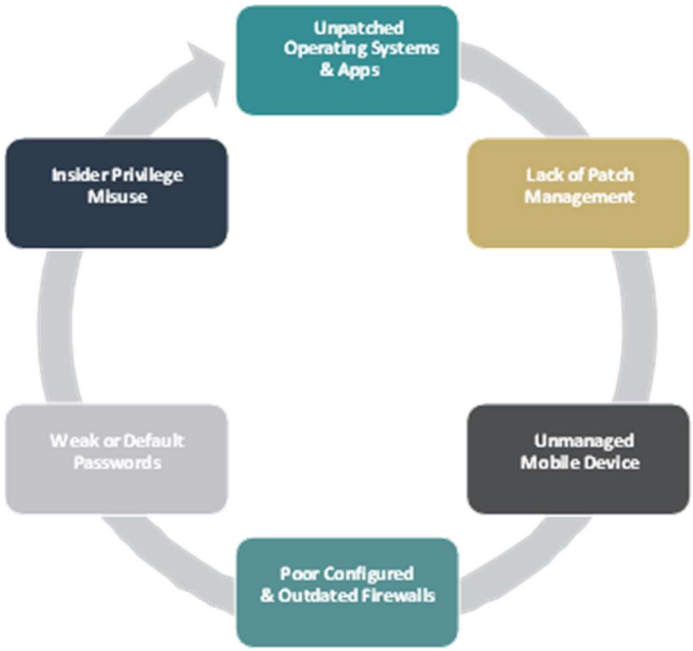
Cybersecurity Framework Engagements



With governments dealing with IT ransoms, cybersecurity is one of the top issues on the minds of nearly every government (large and small). Managing this business issue is especially challenging. A government with a highly mature cybersecurity risk management program still has a residual risk that a material cybersecurity breach could occur and not be detected in a timely manner. Services can be provided via: (1) attestation engagements, or (2) consulting engagements. The AICPA has established standards for performing attestation engagements in this arena with the issuance of the SOC for Cybersecurity as part of its suite of System and Organization Controls (SOC) reporting. Consulting services can be provided while not compromising auditor independence.

System Vulnerability Assessments Engagements

The process of defining, identifying, classifying, and prioritizing vulnerabilities in computer systems, applications, and networks infrastructures, and providing an assessment with necessary knowledge, awareness, and risks to understand the threats to determine appropriate reactions. Using specialized tools and applications, we can access networks to scan with automated tools and interrogate every device connected to network with the objective of searching for misconfigurations, unsupported software, missing software updates and patches, etc.



Penetration Testing Engagements



This is the practice of testing a computer system to find security vulnerabilities that a hacker/attacker could exploit using automation or manual applications. The process involves gathering information about the target before the test, identifying possible entry points, attempting to break in – actually or virtually – and reporting back the findings. Tests come from external or internal angles of entry. Our main objective is to identify security weaknesses. Penetration testing can also be used to: test an organization's security policy; its adherence to compliance requirements; its employees' security awareness; and the government's ability to identify and respond to security incidents.

> ***"We would like to express our sincere appreciation for the quality of service provided by the staff of Mauldin & Jenkins. We would like to thank you for the level of detail and accountability you have demonstrated on this project and the way you conduct business. Our team could not be more satisfied with your work, and we look forward to continuing this relationship."***
>
> ***Angela Jackson, City of Fairburn, Finance Director***

Other Services

We provide many other services to the governmental sector not included under the umbrella of assurance of advisory. Such services are deemed to be value-added elements which can only be provided by a large team of professionals specializing in the serving governmental units. These services include:

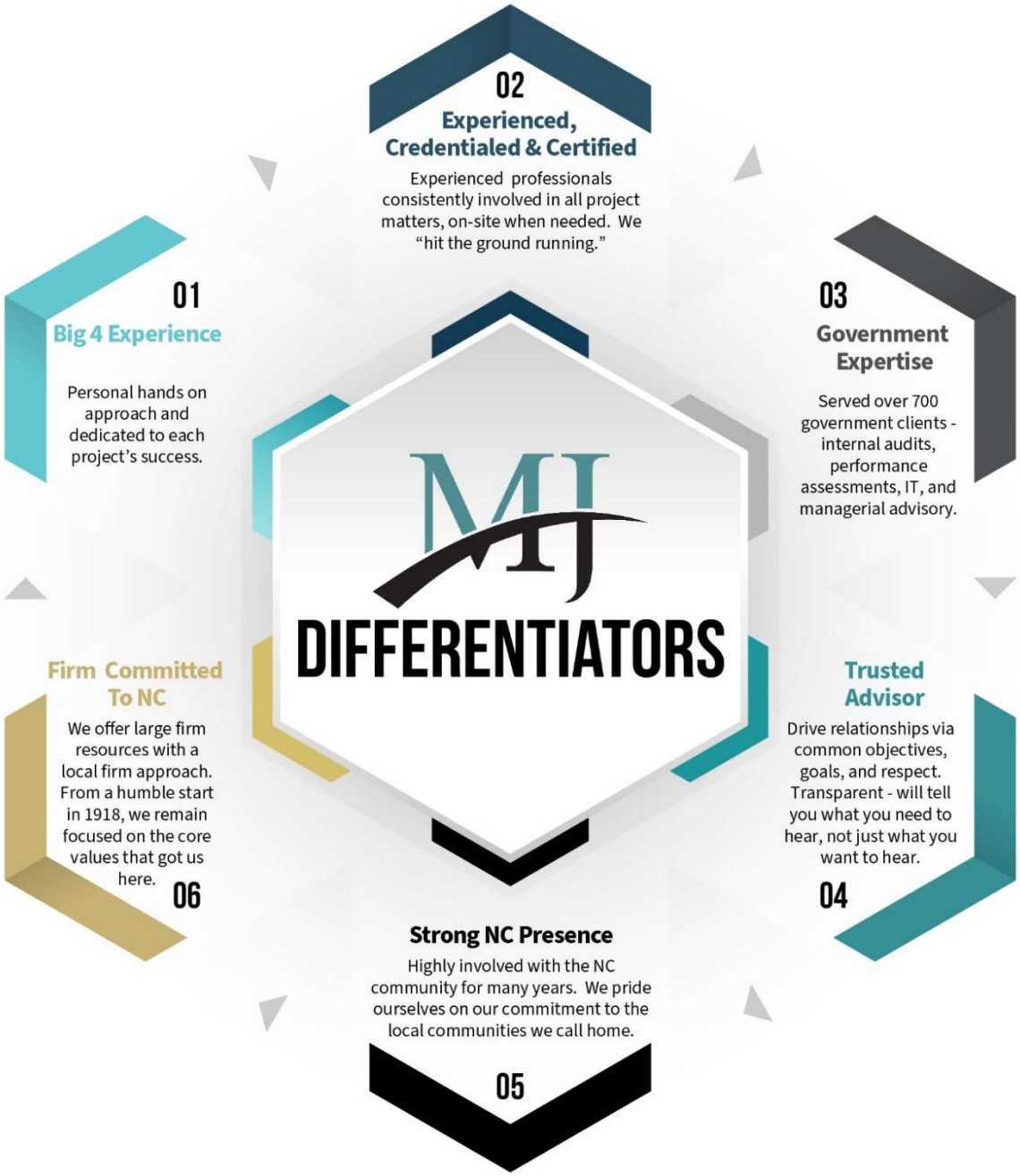
- Annual Comprehensive Financial Report (ACFR) Preparation
- Financial Statement Preparation
- Financial Reporting, Compilations, and Year-end Close-outs
- Education and Training at all levels
- Capital Asset Accounting and Reporting
- Budgetary Analysis
- Arbitrage Tax Information
- Payroll Tax Services

On an annual basis, Mauldin & Jenkins serves over 130 governmental clients who prepare and receive the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting, and, or the Association of School Business Officials (ASBO) Certificate of Excellence

in Financial Reporting.

Key Differentiators

The illustration below represents M&J's key differentiators separating us from competitors and how we will bring additional value to State of North Carolina agencies, departments, and higher education entities, and all other eligible entities ("eligible entities").



Experience Working with Public Sector Clients

Mauldin & Jenkins' Government Practice has served numerous clients throughout the country. We are proud of our client list and believe that our vast number of clients served demonstrates our commitment to enhancing government operations through trusted relationships and repeatable work. A sample representative list of clients served by M&J Government Practice professionals includes:

North Carolina Clients

- Town of Garner
- Town of Selma
- Town of Sharpsburg
- Gates County
- Greene County
- Halifax County
- Halifax County Tourism Development Authority
- Montgomery County
- Moore County
- Moore County Airport Authority
- Moore County Visitors and Convention Bureau
- Town of Wilkesboro
- Town of Zebulon
- City of Hendersonville
- City of Jacksonville
- City of Rocky Mount
- Columbus County
- Orange County
- Wake County
- Union County Board of Education

Other Governments (States and Federal)

- District of Columbia
- Florida Dept of Management Services
- Florida's Turnpike Enterprise
- Georgia Dept of Administrative Services
- Georgia Dept of Behavioral Health and Developmental Disabilities
- Georgia Dept of Community Health
- Georgia Dept of Economic Development
- Georgia Dept of Labor
- Georgia Lottery Corporation
- Georgia State Road and Tollway Authority
- Kentucky Transportation Cabinet
- Puerto Rico Dept of the Treasury
- Texas Dept of Transportation
- Virginia Dept of Transportation

Other Governments (Local)

- Atlanta, Georgia
- Austin, Texas
- College Park, Georgia
- Clayton County, Georgia
- Forest Park, Georgia
- Charlotte County, Florida
- DeKalb County, Georgia
- Douglas County, Georgia
- Fort Lauderdale, Florida
- Gwinnett County, Georgia
- Metropolitan Atlanta Rapid Transit Authority (MARTA)
- New Orleans, Louisiana
- Savannah, Georgia
- Troup County, Georgia
- Walton County, Georgia

Our goal is to optimize operations and enhance security and trust – both internally and externally. As we develop strategies for enhancing operations, we commonly make recommendations to optimize business processes which often result in realigning organizational staff from performing rote and transactional tasks, to spending their time performing more meaningful, value-added, and strategic functions. We have also helped numerous clients win industry awards for transformation and innovation with new operating and service delivery models.

Professional Staff

As demonstrated above, Mauldin & Jenkins provides a full suite of internal audit, risk assessment, and operational and financial review services to governments of all sizes across the country. We have extensive experience assessing and positively transforming public sector operations, focusing on service delivery models, business processes, organizational structures, internal controls, performance management, effective use of technology systems, reporting, communications, and most importantly of all – *results*. The M&J Team consists of seasoned executives, including chief audit executives and former state government executives who led and oversaw internal audit, risk management, finance, accounting, human resources, customer service, and program delivery functions.

Biographies

We have extensive experience serving as a trusted adviser to public sector organizations across the country. Our team has assisted numerous public sector organizations define their risk universe, assess their risk environment, and execute on annual internal audit plans to deliver audits that drive operational improvement and value.

We have assembled a highly competent and experienced team specifically for this opportunity with the State of North Carolina. Our experience and expertise will allow us to hit the ground running and provide high quality deliverables with no learning curve. We believe that the M&J Team is uniquely qualified to assist state of North Carolina eligible entities with supplemental auditing assurance, accounting, and managerial advisory services on an as-needed basis.

The following table lists brief biographies of our team's key professionals, demonstrating the relevant skills needed to successfully provide the scope of services included on the STC.

Name/Role	Biography
David Roberts, Executive/Engagement Partner	David will serve as the engagement partner for the project and will be responsible for overall project management, delivery, and eligible entities' satisfaction. David will ensure project milestones are met and delivered on time and on budget. David will be available throughout the entire project lifecycle and will be highly involved in all aspects of the engagement. David has more than 23 years of professional experience serving as a trusted advisor to public sector organizations across the country and leads M&J's Government Advisory practice. David has assisted numerous governments across the country establish, assess, and enhance internal audit programs. David has also led numerous internal audit projects focusing on compliance, operations, and performance while enhancing risk mitigation strategies and efficiency/effectiveness. David has also led numerous strategic management consulting projects focused on solving problems and enhancing value. David has helped clients assess risk, compliance, and controls; evaluate performance; and transform operations into viable delivery models effectively balancing efficiency and effectiveness with risk and compliance. Prior to joining M&J, David was with a Big Four accounting/consulting firm for 20 years where he led the firm's Southeast Financial Management Government Advisory Practice. He has performed similar projects focusing on financial management, operations, and results. David has helped clients assess risk, compliance, and controls; evaluate performance; and transform operations into viable delivery models effectively balancing efficiency with risk and compliance.

Name/Role	Biography
Adam Fraley, Executive	Adam Fraley is a partner and a certified public accountant with Mauldin & Jenkins, LLC specializing in serving local and state governmental entities. He is the partner in charge for the Firm-wide governmental practice division of Mauldin & Jenkins (largest industry niche of the firm) and serves governmental clients throughout the Southeast. He is also the partner in charge of the Atlanta offices, as well as a member of the Firm's Executive Committee, which governs the actions and direction of the Firm. For this engagement, he will serve as an Executive. Adam has over twenty-five (25) years of experience with the Firm serving a wide range of government clients. Adam serves both large and small governmental units and is involved in serving over eighty (80) such governmental entities. Adam obtained his CPA certificate in 1999. Adam is a licensed certified public accountant in the States of Georgia and Florida. He graduated from Georgia College & State University with a Bachelor of Business Administration in Accounting. He has been a featured speaker at various GGFOA Conferences and other GGFOA workshops, free quarterly CPE provided to our clients, and several internal and external conferences.
David Jahosky, Executive	David will serve as an Executive for this engagement. David will guide the audit plan development and lead multiple audits based on his significant internal audit experience. David is a Partner with M&J focusing on assessing and improving state and local administration of federally funded programs. He spent nearly 14 years at KPMG and served as the southeast Risk and Compliance lead partner. He most recently led the Strategy, Grants and Compliance Group of a national consulting company overseeing $1 billion in federal grants funds for 30 jurisdictions in nine states. David has led numerous compliance/performance audits and management consulting services public sector entities in California, Florida, Georgia, Illinois, Indiana, New Mexico, New York City, New York State, Oklahoma, New Mexico, Pennsylvania, and Texas.
Doug Moses, Executive	Doug will serve as an Executive for this engagement. Doug specializes in audits of governmental entities, primarily cities, counties, school districts, state agencies, and special purpose entities. He earned his BBA in Accounting, Magna Cum Laude, from Georgia Southwestern State University in 1997 and an MBA with an emphasis in Accounting, with honors, from Georgia Southern University in 1999. Originally from Ocilla, Georgia, Doug served on the Alumni Board of Trustees at Georgia Southwestern State University (GSW) as the Past-Treasurer and Past-President, as well as serving as a member, past-treasurer, and chairman on the GSW Foundation Board of Trustees. For this engagement, he will serve as an Executive.

Name/Role	Biography
James Bence, Executive	James is a partner with Mauldin & Jenkins. His experience with the firm covers a variety of state and local governmental organizations. He spends 100% of his time serving state and local governments all of which utilize the new reporting model. James works with local governments in Tennessee, Georgia, Alabama, and the Carolinas. For this engagement, he will serve as an Executive. James has twenty years of experience in public accounting, all with Mauldin & Jenkins, serving a wide range of clients in the public services industry.
Tim Lyons, Executive	Tim Lyons is a partner with Mauldin & Jenkins and is a certified public accountant as well as a chartered global management accountant. His experience covers a variety of clients throughout the Southeast, working mainly in North Carolina, South Carolina, and Georgia. For this engagement, he will serve as an Executive. Tim spends 100% of his time serving clients in the governmental industry, working with all types of entities ranging from large state agencies to local counties/cities/townships, school districts, and authorities. In a leadership capacity, Tim is the partner-in-charge of the Firm's Columbia and Raleigh Offices and is also a member of the Firm's Assurance Committee, overseeing the entire audit practice of Mauldin & Jenkins, focusing on the Firm's Governmental Assurance services.
Jameson Miller, Executive	Jameson Miller is a partner and has been with Mauldin & Jenkins since graduation from the University of Tennessee at Chattanooga. He currently leads the firm's Cybersecurity Advisory Services practice. For over 14 years, Jameson has provided audit services to public and private entities throughout the Southeast. Jameson's experience includes audits of general controls, application controls, technical audits, and security assessments for information systems. For this engagement, he will serve as an Executive. Jameson has extensive experience with Sarbanes Oxley, SSAE18 System and Organization Controls (SOC) Examinations, National Automated Clearinghouse Association (NACHA) Compliance Audits of the NACHA Operating Rules and Guidelines, and Gramm-Leach-Bliley Act (GLBA) compliance program implementation, testing and reporting. His technical expertise includes performing vulnerability assessments and penetration testing of information systems using both technical and social engineering techniques.

Name/Role	Biography
Trey Scott, Executive	Trey Scott is a partner and a certified public accountant with Mauldin & Jenkins specializing in serving local and state governmental entities. Trey's experience with the firm covers a variety of state and local governmental organizations in Georgia, South Carolina, and Florida. For this engagement, he will serve as an Executive. Trey spends 100% of his time serving local governments emphasizing cities, counties, school districts, business-type entities, state government entities, and special purpose entities and authorities.
Kate Russell, Supervisor	Kate will serve as a Supervisor for this project. She will coordinate closely with David and the project coordinator(s) to ensure effective project executive for all internal audit projects. She will manage project attributes to help ensure M&J delivers on time and on budget. Kate is a Director with M&J and has served on multiple government risk assessments. Her experience includes both comprehensive assessment of all local government functions/departments, as well as in-depth business process and functional analysis assessments of individual government departments.
LeeAnn Bagasala, Supervisor	LeAnn is a director and a certified public accountant with Mauldin & Jenkins, LLC specializing in serving local and state governmental entities. LeAnn joined the Mauldin & Jenkins in February 2022 with a significant amount of experience serving governments in North Carolina with two other large CPA firms. For this engagement, she will serve as a Supervisor. With 11 years of progressive experience in public accounting, including time at a Big 4 firm, LeAnn provides comprehensive assurance and accounting services to a variety of governmental entities with a particular focus on counties and municipalities in North Carolina.
Allison Hightower, Supervisor	Allison Hightower is a Senior Manager and a certified public accountant with Mauldin & Jenkins. Her experience covers a variety of financial institutions, state and local governmental organizations, non-profit organizations, and other public and private entities. Allison emphasizes on providing quality client services, open communication, and being deadline oriented to meet client's needs. For this engagement, she will serve as a Supervisor.

Name/Role	Biography
Brian Groome, Supervisor	Brian is a Manager with M&J dedicated to the Government Advisory Practice. For this engagement, he will serve as a Supervisor. Brian has ten years of experience working as a budget and policy analyst in state legislature, where he coordinated with many state agencies to produce fiscally responsible, effective, and efficient annual agency budgets while also managing multiple standing committees. His budgeting experience includes making significant reductions following the great recession and the onset of the COVID-19 pandemic as well as prioritizing the expansion of programs during years of record-setting revenue growth. During his time with the legislature, Brian also gained experience analyzing and implementing zero-based budgeting reports.
Graham Sweeney, Supervisor	Graham is a Senior Associate with M&J dedicated to the Government Advisory Practice. His experience includes financial analysis coupled with deep dives into process efficiency and improvement. For this engagement, he will serve as a Supervisor. Prior to joining M&J's Government Advisory Practice, Graham served as a project manager and operations manager for the Georgia state government. His duties included overseeing external and internal projects from initiation through execution to post-completion analysis, as well as evaluating internal processes and procedures in order to improve efficiency. His projects ranged from procurement, staffing requirements, and workflow, to marketing and strategic planning.
Will Derzis, Supervisor	Will Derzis is a manager and a certified public accountant with Mauldin & Jenkins specializing in serving local and state governmental entities. For this engagement, he will serve as a Supervisor. Will spends 100% of his time serving state and local governments in Georgia, North and South Carolina, and he works exclusively in the governmental sector of the Firm's audit practice. Will has served a variety of clients including school districts and other educational institutions, cities, counties, and other types of governmental entities.
Jake Connor, Supervisor	Jake Connor is a Senior Associate with Mauldin & Jenkins, LLC who is part of the NC Government Audit Practice. He has served multiple clients throughout North Carolina and the Southeast. For this engagement, he will serve as a Supervisor. Jake joined M&J after gaining several years of experience in IT Advisory, Data Analytics, and Industry Accounting (Construction-focus) and has since continued to gain experience in multiple service areas and has served many clients.

Name/Role	Biography
Coleman Loftin, Staff	Coleman is an Associate with M&J dedicated to the Government Advisory Practice. His experience includes documenting the current state of operations of organizations, developing standard operating procedures, process mapping, and identifying areas for improvement to increase efficiency of organizations. Coleman also has experience working on investigative projects examining client processes, procedures, and situational history after instances of fraud in order to provide observations and recommendations. For this engagement, he will serve as a Staff Member. Additionally, Coleman has performed data analysis throughout many of his projects to identify outliers and trends in data to aid in identifying inconsistencies in data reporting, in addition to areas for improvement and recommendations.
Haley Kasnic, Staff	Haley is an Associate with M&J dedicated to the Government Advisory Practice. Her experience includes documenting the current state and developing standard operating procedures and process mapping to assess the efficiency of current practices of governments. For this engagement, she will serve as a Staff Member. Additionally, Haley has performed data analysis throughout many of his projects to identify outliers and trends in data to aid in identifying inconsistencies in data reporting, in addition to areas for improvement and recommendations. She has worked on multiple operational performance assessments in addition to financial assessments for governments and other public organizations.
John Carolin, Staff	John Carolin is an Associate dedicated to the Government Advisory Practice. John is a skilled data analyst and is proficient with a wide range of tools and methodologies used to derive useful insights from complex sources of data, including financial records, geographic data, time-series data, and irregularly structured data. For this engagement, he will serve as a Staff Member. John also has experience with process mapping and investigating organizational operations and uses this understanding, in combination with insights derived from his analysis of performance data, to identify potential improvements to organizational processes and procedures. Additionally, John makes use of his statistical and investigative background to thoroughly evaluate organizational compliance with a variety of federal, state, and local requirements.

Name/Role	Biography
William Purdue, Staff	William Perdue is a Senior Associate with Mauldin & Jenkins, LLC who is part of the Government Audit Practice. He is a CPA licensed in the State of Florida and has served multiple clients throughout the Southeast. For this engagement, he will serve as a Staff Member. William joined M&J after working for two other accounting firms from 2018 to 2022 and has since gained experience in multiple service areas and has served many clients.
Additional Support Staff as Needed	As needed, additional support staff will assist the team by taking notes, performing research, and assisting with data analysis. Any additional staff utilized will come from M&J's Government Practice who focus on operational and performance assessments for state and local government clients.

4.5. References

Below are five references for the M&J Team. We would be happy to provide additional references or additional information upon request.

Reference 1

Client	City of Rocky Mount, North Carolina
Project Name	Internal Audit and Consulting Services
Project Description	
The City of Rocky Mount, North Carolina, engaged M&J to perform a functional process audit across a variety of departments, assessing risks and interdependencies. We reviewed corrective actions implemented after an investigative/state report to ensure correct implementation and that the corrective actions mitigated the identified risks. The audit resulted in 32 observations and associated recommendations for the improvement of critical financial functions, such as billing, cashiering, and collections. After completion of the functional process audit, the City has continued to engage Mauldin & Jenkins to perform individual consulting projects. One individual project performed by M&J was an analysis of customer service models for constituent-facing departmental functions, including governing requirements and compliance, key business processes, and use of technology. M&J also performed a feasibility study on outsourcing maintenance functions by documenting risks, current and potential costs, and comparing service delivery models. Additionally, M&J has begun an assessment of the City's Internal Audit function, reviewing the existing Internal Audit plans, reviewing completed projects, and making recommendations for functional improvement based upon leading practices. Each project has resulted in an individual report with unique observations and associated recommendations. M&J staff assignments have been based upon subject matter expertise.	
Services Provided	Financial Audit, Managerial Advisory Services
Contract Length	10 weeks
Contract Amount	$69,800
Client Contact	Mr. Abdul Baloch
Title	Chief Internal Auditor
Telephone	(252) 972-1334
Email	abdul.baloch@rockymountnc.gov
Address	331 S Franklin St, Rocky Mount, NC 27804

Reference 2

Client	Gwinnett County, Georgia
Project Name	Operational Performance Assessment
Project Description	
Gwinnett County engaged M&J to complete an Operational Performance Assessment. The Operational and Performance Assessment reviewed each of the 13 Gwinnett County operating departments reporting to the County Administrator. The engagement was designed as a multi-phase project, with M&J providing an assessment report with observations, recommendations, technology and system analysis, benchmarks to leading practices, and KPI leading practices for multiple departments each phase. Organizational structures, staffing, key workflow and business processes, use of technology, reporting, performance measures, and customer service were all evaluated as part of scope.	
Services Provided	Operational Performance Assessment
Contract Length	1.5 Years
Contract Amount	$291,984
Client Contact	Malorie Truss
Title	Project Supervisor
Telephone	(770) 822-7769
Email	Mallorie.Truss@gwinnettcounty.com
Address	75 Langley Drive, Lawrenceville, GA 30046

Reference 3

Client	Cobb County School District, Georgia
Project Name	Performance Audit
Project Description	
Since 2016, M&J annually has worked with the county school system to annually review the operational accounting manuals and procurement manuals for the over 100 schools throughout the District. The scope of the performance audit is to test the compliance of all 100+ schools annually with the selected manuals. The performance audit is structured to both determine compliance with the manual but also to assess and provide recommendations on future amendments and adjustments to the operational accounting manuals and procurement manuals based on changes in the environment. M&J meets with the Internal Compliance team each summer to review and build an audit plan. The audit teams work with various members of the District throughout the year-end to ensure all objectives are met and feedback is provided on a timely basis to assist the District. Monthly status calls are held virtually to ensure all items are communicated and the job is progressing on track for completion by May of each year.	
Services Provided	Operational/Performance Audit, Compliance Audit, Data Analytics/Continuous Monitoring, Accounting and Financial Services, Managerial Advisory Services
Contract Length	5+ years
Contract Amount	$189,680 for FY24
Client Contact	Cathy Strudthoff
Title	Director, Local School Accounting & Internal Compliance
Telephone	(770) 426-3376
Email	catherine.strudthoff@cobbk12.org
Address	514 Glover Street, Marietta, GA 30060

Reference 4

Client	Orange County, North Carolina
Project Name	Cash Handling Audit
Project Description	
M&J provided an operational assessment of the cash receipting processes at selected departments throughout the County and provided an overview of the weaknesses or deficiencies in the process as compared to the County's manuals.	
Services Provided	Operational/Performance Audit, Compliance Audit, Data Analytics/Continuous Monitoring, Accounting and Financial Services, Managerial Advisory Services
Contract Length	About 4 months
Contract Amount	About $70,000
Client Contact	Gary Donaldson
Title	Chief Financial Officer
Telephone	(919) 245-2453
Email	gdonaldson@orangecountync.gov
Address	405 Meadowlands Dr, Hillsborough, NC 27278

Reference 5

Client	South Carolina State Fiscal and Accountability Authority
Project Name	Florence-Darlington Technical College Gift Card Assessment
Project Description	
M&J was engaged to assess Florence-Darlington Technical College's purchase and distribution of gift cards, and to assess associated inventory management processes and related financial processes from the past four fiscal years. The scope included assessing fiscal trends, financial processes, and compliance with applicable governing laws and regulations. The project resulted in multiple observations and recommendations focused on enhancing compliance, governance, controls, and operational efficiency.	
Services Provided	Investigative Audit
Contract Length	About 3 months
Contract Amount	About $85,000
Client Contact	Crawford Milling
Title	Director of Audit and Certification
Telephone	(803)737-0647
Email	dcmilling@mmo.sc.gov
Address	1201 Main St, Suite 600, Columbia, SC 29201

4.6. Legal Right to Practice in North Carolina

No Conflict of Interest

Mauldin & Jenkins, LLC does not employ any officer, director, or agent who is also an employee of the State of North Carolina, and we assert that no conflicts of interest are present.

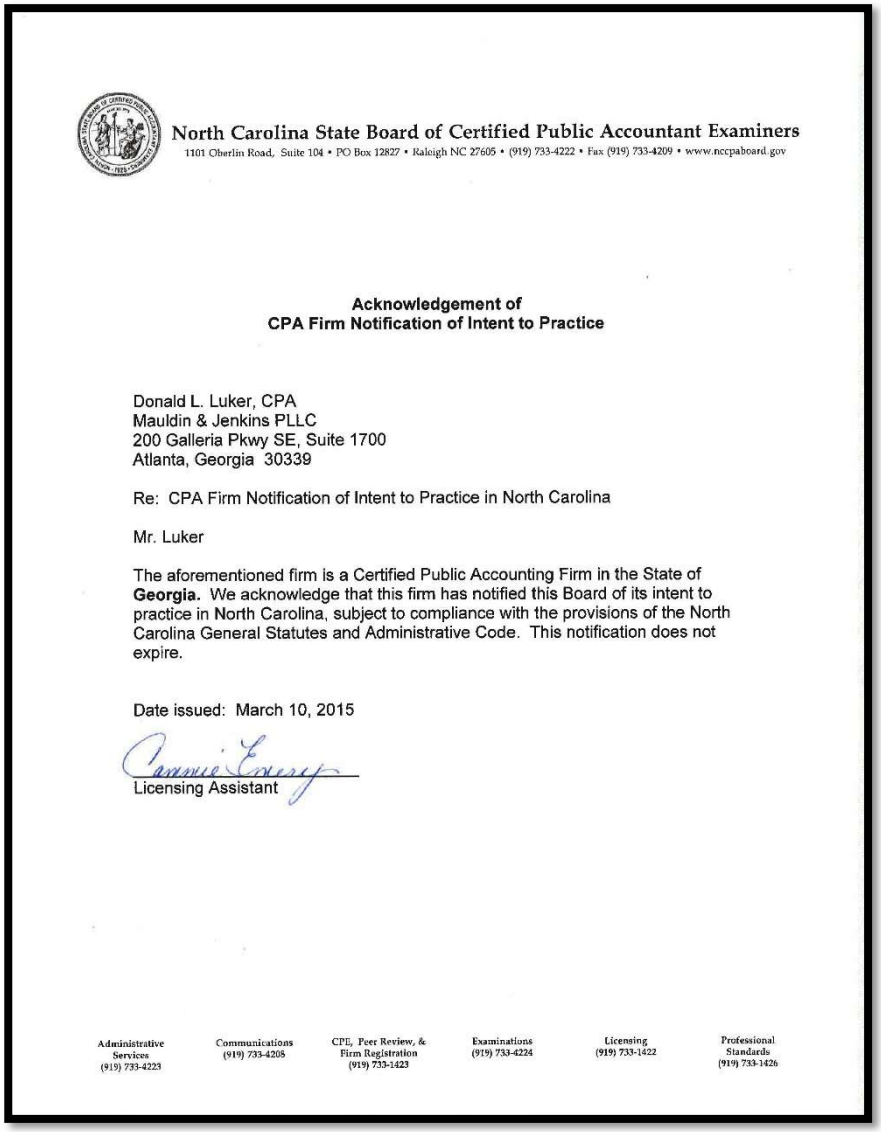
Independence

We hereby affirm that Mauldin & Jenkins, LLC is independent with respect to the State and the State's component units. We meet the independence standards of Generally Accepted Auditing Standards and the U.S. Government Accountability Office's *Government Auditing Standards*. We are also independent with respect to the State within the meaning of Rule 101 of the Code of Professional Ethics of the American Institute of Certified Public Accountants and the applicable published rules and interpretation thereunder.

We conduct our audits objectively and will report findings, opinions, and conclusions objectively. As noted above, we are free from personal and external impairments to independence, are organizationally independent, and will maintain an independent attitude and appearance so that opinions, conclusions, judgments, and recommendations are impartial and will be viewed as impartial by knowledgeable parties. There are no situations that might lead others to question our independence.

Licensed to Practice in the State of North Carolina

The State of North Carolina has acknowledged Mauldin & Jenkins' intent to practice as a CPA Firm. **Additionally, assigned professional staff are properly licensed and registered to practice public accounting within the State of North Carolina**. We have included a copy of the State's acknowledgment.



North Carolina State Board of Certified Public Accountant Examiners
1101 Oberlin Road, Suite 104 • PO Box 12827 • Raleigh NC 27605 • (919) 733-4222 • Fax (919) 733-4209 • www.nccpaboard.gov

Acknowledgement of
CPA Firm Notification of Intent to Practice

Donald L. Luker, CPA
Mauldin & Jenkins PLLC
200 Galleria Pkwy SE, Suite 1700
Atlanta, Georgia 30339

Re: CPA Firm Notification of Intent to Practice in North Carolina

Mr. Luker

The aforementioned firm is a Certified Public Accounting Firm in the State of **Georgia.** We acknowledge that this firm has notified this Board of its intent to practice in North Carolina, subject to compliance with the provisions of the North Carolina General Statutes and Administrative Code. This notification does not expire.

Date issued: March 10, 2015

Licensing Assistant

Administrative Services (919) 733-4223 | Communications (919) 733-4205 | CPE, Peer Review, & Firm Registration (919) 733-1423 | Examinations (919) 733-4224 | Licensing (919) 733-1422 | Professional Standards (919) 733-1426

4.7. External Reviews and Regulatory Action

Quality Control Review

External Quality Control Review

In the mid-70s, the Private Companies Practice Section (PCPS) was founded by the American Institute of CPAs (AICPA) to establish a voluntary quality assurance program for CPA firms. There are requirements for membership in the section, which include mandatory continuing education for each member of the professional staff and a key element is a tri-annual independent review of a firm's quality control system in its practice of public accounting. Mauldin & Jenkins, LLC has been a member of the section from its inception.

The peer review aspect has evolved from being voluntary to mandatory and Mauldin & Jenkins is in full compliance with the requirements of having a tri-annual review. In the peer reviewer's latest report, our reviewing firm gave a rating of "pass" which is the highest form of assurance a reviewing firm can render on the system of quality control for our accounting and audit practice.

A copy of the report on our most recent external quality control review is provided on the following page.

The quality control review included a review of specific government engagements. No letter of comment was received as a result of this review. We are quite proud to be one of the few Southeast based firms to have undergone this review and to have received such an excellent opinion from a large reputable national firm. Our public company practice is also reviewed in accordance with CAQ requirements as administered through the Public Company Oversight Board (PCAOB).

Internal Quality Control Review

Every new attest client is examined for risk and submitted for approval to our Executive Committee prior to the issuance of an engagement letter. Often, the risk assessment process begins before a response to a proposal request is submitted. Each audit file has a quality control review partner assigned to the audit team. This second partner reviews the file for technical elements and internal standards. The quality control reviewer also reviews each report for accuracy and adequate disclosures in accordance with applicable standards.

Each year that is not a peer review year, Mauldin & Jenkins conducts an internal inspection of randomly selected audit files from all industries we serve. To ensure the highest level of audit quality, the internal inspection teams use questionnaires similar to those used by peer review teams to evaluate the files selected for review.

PBMares

REPORT ON THE FIRM'S SYSTEM OF QUALITY CONTROL

November 12, 2020

To the Shareholders of Mauldin & Jenkins, LLC
and the National Peer Review Committee

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

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

Firm's Responsibility

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

Peer Reviewer's Responsibility

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

Required Selections and Considerations

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

PBMares, LLP | 725 Jackson Street, Suite 210 | Fredericksburg, VA 22401 | P 540.371.3566 | 1.800.296.3710 | F 540.371.3598

Opinion

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

PBMares, LLP

PBMares, LLP

No Litigation, Federal/State Desk Reviews or Disciplinary Action

Mauldin & Jenkins has had no cases brought forth against the Firm over the past five years in which our Firm was a named party. Additionally, Mauldin & Jenkins has not had a federal or state desk review or field review of its audits during the past five years. Mauldin & Jenkins has not had any disciplinary actions taken (nor are any pending) against the Firm during the past five years with any state or federal regulatory bodies or professional organizations. We have a long-standing history of providing excellent services to our clients and have had no prior record of substandard audit work.

As noted above, there is no pending litigation against our Firm that may be of relevance to the fulfillment of a contract between Mauldin & Jenkins and the State. Additionally, we note no problems that may affect our ability to complete the project as defined in the State's request for proposal.

E-Verify System Compliance

Mauldin & Jenkins is compliant with the E-Verify System requirements.

E-Verify

Company ID Number: 105410

Approved by:

Employer Mauldin and Jenkins CPA LLC	
Name (Please Type or Print) June Paschal	Title
Signature Electronically Signed	Date 03/06/2008
Department of Homeland Security – Verification Division	
Name (Please Type or Print) USCIS Verification Division	Title
Signature Electronically Signed	Date 03/06/2008

4.8 Financial Statement

Financial Stability

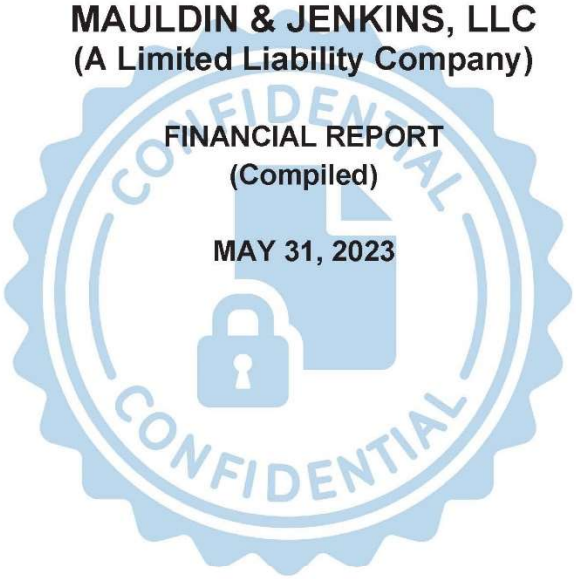
Mauldin & Jenkins, LLC has been in operation for over 100 years. We are committed to providing exceptional client service since our inception. The Firm is financially stable and provided financial statements in the following pages. We are committed to the governmental industry and to providing the functions and services requested by the State in the RFP. Our Financial Statements are considered confidential and proprietary in accordance with N.C. Gen. Stat. § 66-152 and other information exempted from the Public Records Act pursuant to N.C. Gen. Stat. §132- 1.2



MAULDIN & JENKINS, LLC
(A Limited Liability Company)

FINANCIAL REPORT
(Compiled)

MAY 31, 2023



MAULDIN & JENKINS, LLC
(A Limited Liability Company)

FINANCIAL REPORT
(Compiled)
May 31, 2023

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CONFIDENTIAL

MAULDIN & JENKINS
CPAs & ADVISORS

ACCOUNTANT'S COMPILATION REPORT

To the Members
Mauldin & Jenkins, LLC
Atlanta, Georgia

Management is responsible for the accompanying financial statements of **Mauldin & Jenkins, LLC** (a limited liability company) (the "Firm"), which comprise the balance sheets as of May 31, 2023 and 2022, and the related statements of income, members' equity, and cash flows for the years then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Accounting principles generally accepted in the United States of America require that assets and liabilities, including intangibles acquired in business combinations be recognized at fair value. The accompanying financial statements do not include any intangibles related to certain business combinations. Accounting principles generally accepted in the United States of America require that retirement obligations be recognized and expensed over the service period of the members. As disclosed in Note 7, the retirement obligations or "buyout" to the members have not been recognized in accordance with accounting principles generally accepted in the United States of America. The payments of these obligations are reported on the cash basis. Accounting principles generally accepted in the United States of America require leases to be recorded on the balance sheet as lease assets and lease liabilities. The asset is known as the right-of-use asset, and represents the lessee's right to use the underlying asset while the lease liability represents the lessee's financial obligation over the lease term. As disclosed in Notes 8 and 9, leases have not been recognized in accordance with accounting principles generally accepted in the United States of America. These lease obligations are reported and expensed on the accrual basis. The effect of these departures on the financial statements has not been determined.

We are not independent with respect to Mauldin & Jenkins, LLC.

Mauldin & Jenkins, LLC

Atlanta, Georgia
August 7, 2023

200 GALLERIA PARKWAY S.E., SUITE 1700 • ATLANTA, GA 30339-5946 • 770-955-8600 • 800-277-0080 • FAX 770-980-4489 • www.mjcpa.com
Members of The American Institute of Certified Public Accountants

MAULDIN & JENKINS, LLC
(A Limited Liability Company)
BALANCE SHEETS
MAY 31, 2023 AND 2022
See Accountant's Compilation Report

ASSETS	2023	2022
CURRENT ASSETS		
Cash	$ 4,315,273	$ 8,317,196
Accounts receivable, clients and others, less allowance for doubtful accounts 2023 $591,676 and 2022 $393,899	21,530,840	14,532,108
Unbilled work-in-process	868,466	417,016
Prepaid expenses	2,652,763	1,568,528
Total current assets	29,367,342	24,834,848
INTANGIBLES AND OTHER ASSETS		
Goodwill	321,746	457,562
Deposits and other assets	222,566	126,283
	544,312	583,845
PROPERTY AND EQUIPMENT, at cost		
Furniture, fixtures and equipment	8,650,747	7,868,955
Leasehold improvements	3,366,575	3,559,071
	12,017,322	11,428,026
Less accumulated depreciation and amortization	8,745,886	8,527,669
	3,271,436	2,900,357
	$ 33,183,090	$ 28,319,050
LIABILITIES AND MEMBERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 2,957,288	$ 2,558,152
Accrued rent	237,062	259,143
Deferred rent	23,208	23,208
Total current liabilities	3,217,558	2,840,503
LONG-TERM LIABILITIES		
Accrued rent	400,947	337,455
Deferred rent	7,740	30,949
Total long-term liabilities	408,687	368,404
MEMBERS' EQUITY	29,556,845	25,110,143
	$ 33,183,090	$ 28,319,050

See Notes to Consolidated Financial Statements.

CONFIDENTIAL CONFIDENTIAL

MAULDIN & JENKINS, LLC
(A Limited Liability Company)
STATEMENTS OF INCOME
YEARS ENDED MAY 31, 2023 AND 2022
See Accountant's Compilation Report

	2023	2022
Net fees	$ 100,189,593	$ 77,531,689
Operating expenses	77,894,764	59,203,553
Net operating income	22,294,829	18,328,136
Payments to retired members	(5,318,995)	(3,920,479)
Other nonoperating expenses	(230,511)	(88,714)
Net income	$ 16,745,323	$ 14,318,943

See Notes to Consolidated Financial Statements.

CONFIDENTIAL CONFIDENTIAL

MAULDIN & JENKINS, LLC
(A Limited Liability Company)
STATEMENTS OF MEMBERS' EQUITY
YEARS ENDED MAY 31, 2023 AND 2022
See Accountant's Compilation Report

	2023	2022
FIXED INVESTMENT ACCOUNTS		
Balance, beginning	$ 13,243,500	$ 12,444,125
Plus capital contributed	4,809,000	6,226,452
Less capital distributed	(1,273,500)	(5,427,077)
Balance, ending	16,779,000	13,243,500
UNDISTRIBUTED INCOME		
Balance, beginning	11,866,643	17,586,458
Add net income	16,745,323	14,318,943
Add discretionary bonus	2,225,000	1,775,000
	30,836,966	33,680,401
Deduct state tax payments	942,478	-
Deduct drawings	17,116,643	21,813,758
Balance, ending	12,777,845	11,866,643
TOTAL MEMBERS' EQUITY	$ 29,556,845	$ 25,110,143

See Notes to Consolidated Financial Statements.

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MAULDIN & JENKINS, LLC
(A Limited Liability Company)
STATEMENTS OF CASH FLOWS
YEARS ENDED MAY 31, 2023 AND 2022
See Accountant's Compilation Report

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 16,745,323	$ 14,318,943
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,341,811	1,166,913
Loss on disposal of equipment	116,918	1,848
Changes in operating assets and liabilities:		
Increase in accounts receivable, net	(7,047,728)	(1,205,267)
Increase in unbilled work-in-process	(289,725)	(109,602)
Increase in prepaid expenses, deposits and other assets	(829,666)	(179,044)
Increase (decrease) in accrued rent	41,411	(31,945)
Decrease in deferred rent	(23,209)	(23,209)
Increase in accounts payable, accrued expenses, and other	2,624,136	1,054,586
Net cash provided by operating activities	12,679,271	14,993,223
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(1,641,142)	(989,413)
Proceeds from disposal of property and equipment	7,150	2,979
Net cash used in investing activities	(1,633,992)	(986,434)
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital contributed	4,285,419	5,050,830
Capital distributed	(1,273,500)	(5,427,077)
Income distributions to members	(18,059,121)	(20,038,758)
Net cash used in financing activities	(15,047,202)	(20,415,005)
Net increase (decrease) in cash	(4,001,923)	(6,408,216)
Cash at beginning of year	8,317,196	14,725,412
Cash at end of year	$ 4,315,273	$ 8,317,196
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash payments for interest	$ 138,946	$ 6,676

(Continued)

See Notes to Consolidated Financial Statements.

MAULDIN & JENKINS, LLC
(A Limited Liability Company)

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED MAY 31, 2023 AND 2022
See Accountant's Compilation Report

	2023	2022
BUSINESS COMBINATIONS		
Net assets acquired		
Accounts receivable	$ 178,607	$ 743,797
Work-in-process	161,725	267,607
Prepaid expenses and other assets	123,249	18,321
Furniture, fixtures and equipment	60,000	150,000
Accounts payable and other liabilities	-	(4,103)
	$ 523,581	$ 1,175,622

See Notes to Consolidated Financial Statements.

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MAULDIN & JENKINS, LLC
(A Limited Liability Company)

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

NOTE 1. NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Business:

Mauldin & Jenkins, LLC (the "Firm") provides assurance, tax, and advisory services to individuals, businesses, nonprofit entities, municipalities, and governmental agencies primarily in the southeastern United States. The Firm conducts its business through its offices located in the cities of Albany, Alpharetta, Atlanta, Macon and Savannah, Georgia; Birmingham, Athens and Huntsville, Alabama; Bradenton and Sarasota, Florida; Chattanooga, Tennessee; Columbia, South Carolina; and Raleigh, North Carolina.

Significant Accounting Policies:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the balance sheet date and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant accounting policies are as follows:

Personal Assets and Liabilities and Members' Salaries:

In accordance with the generally accepted method of presenting limited liability company financial statements, the financial statements do not include the personal assets and liabilities of the members, including their obligation for income taxes on salaries, bonuses, or their distributive share of the net income of the Firm nor any provision for income tax expense.

The Firm pays pass through entity tax for state taxes in various jurisdictions on behalf of its members. These payments are recorded as distributions in the financial statements and are withheld from member income distributions.

The expenses shown in the statements of income include salaries and bonuses paid to the members.

Limited Liability Company:

The liability of members of a limited liability company is limited to their capital contributions. Net income is allocated to the members in accordance with the Firm's operating agreement. The limited liability company is treated as a partnership for income tax reporting purposes.

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

NOTE 1. NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies: (Continued)

Allowance for Doubtful Accounts:

The Firm's policy for computing the allowance for doubtful accounts is to include all accounts receivable that are 120 days old, reduced by any collections on those accounts received during the first seven business days of the new fiscal year.

Unbilled Work-in-Process:

Unbilled work-in-process, if any, is valued at 77% of the work-in-process time at standard billing rates. Revenue is recognized at the time services are performed, computed by each individual standard billing rate, plus direct expenses incurred in performing such services.

Lease Agreements:

For lease agreements that provide for rent free months or escalating rental payments, the Firm accrues rent expense in an amount such that the total rent expense under operating leases is recognized ratably over the lease term. Any reimbursement of leasehold improvements by the landlord is recorded as deferred rent on the balance sheet, net of amortization. The deferred rent is recognized ratably over the life of the leasehold improvements.

Depreciation:

Depreciation is computed generally on a straight-line basis over the estimated service lives of the respective classes of property and equipment.

Subsequent Events:

The Firm has evaluated subsequent events through August 7, 2023, the date on which the financial statements were available to be issued.

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

NOTE 2. BUSINESS ACQUISITIONS

On June 1, 2022, the Firm acquired Holland, Shipes, Pennix LLP located in Atlanta, Georgia. The acquisition consisted of assets with a value of $76,593. The following table summarizes the values of the assets acquired at the date of the acquisition:

Work-in-process	$ 48,343
Prepaids and other assets	18,250
Furniture, fixtures, and equipment	10,000
	$ 76,593

In connection with the acquisition, one partner of Holland, Shipes, Pennix, LLC was admitted to the Firm as a member. As a part of this acquisition, unfunded retirement accounts were established for the member and for one former partner of Holland, Shipes, Pennix LLP totaling $3,074,431 based on the June 1, 2022 acquisition effective date. There is a three-year look back period in which the retirement accounts for the active member may be adjusted.

The results of operations for the fiscal year ended May 31, 2023 include the operations of the acquired firm since the date of acquisition of June 1, 2022.

On September 1, 2022, the Firm acquired KRT, CPAs P.C. located in Savannah, Georgia. The acquisition consisted of net assets with a value of $446,988. The following table summarizes the values of the assets acquired at the date of acquisition:

Accounts receivable	$ 178,607
Work-in-process	113,382
Prepaids and other assets	104,999
Furniture, fixtures, and equipment	50,000
	$ 446,988

In connection with the acquisition, three partners of KRT, CPAs PC were admitted to the firm as members. As a part of this acquisition, unfunded retirement accounts were established for these three members totaling $1,922,010. This represents nine-twelfths of the total value of $2,562,680 based on the September 1, 2022 acquisition effective date. The remaining three-twelfths of the retirement accounts will be credited to the KRT partners in fiscal year 2024. There is a three-year look back period in which the retirement accounts for the active members may be adjusted. The results of operations for the fiscal year ended May 31, 2023 include the operations of the acquired firm since the date of acquisition of September 1, 2022.

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

NOTE 2. BUSINESS ACQUISITIONS (CONTINUED)

On January 1, 2023, the Firm acquired MDG Professional Group P.C. located in Huntsville, Alabama. The acquisition consisted of furniture, fixtures, and equipment with a value of $50,000.

In connection with the acquisition, unfunded retirement accounts were established for the four former shareholders of MDG Professional Group P.C. totaling $840,449 that represents five-twelfths of the retirement account balances totaling $2,521,348 based on the January 1, 2023 acquisition effective date. The remaining seven-twelfths of the retirement accounts will be credited to the MDG partners in fiscal year 2024. There is a three-year look back period in which the retirement accounts for the active member may be adjusted. The results of operations for the fiscal year ended May 31, 2023 include the operations of the acquired firm since the date of acquisition of January 1, 2023.

On June 1, 2021, the Firm purchased the audit practice from AJK, LLC located in Manchester, Georgia. The purchase price is expected to be cash considerations of approximately $370,000 paid over a three-year period subject to certain look back provisions. .

On July 1, 2021, the Firm acquired CDPA, PC located in Athens and Huntsville, Alabama. The acquisition consisted of net assets with a value of $1,175,622. The following table summarizes the values of the assets acquired and liabilities assumed at the date of the acquisition:

Accounts receivable	$ 743,797
Work-in-process	267,607
Prepaids and other assets	18,321
Furniture, fixtures, and equipment	150,000
Payables and other liabilities	(4,103)
	$ 1,175,622

In connection with the acquisition, four partners of CDPA, PC were admitted to the firm as members. As a part of this acquisition, unfunded retirement accounts were established for these four members and for two former partners of CDPA, PC totaling $5,739,058 for the year ended May 31, 2022. This represents eleven-twelfths of the retirement account balances totaling $6,260,789 based on the July 1, 2021 acquisition effective date. The remaining one-twelfth of the retirement accounts totaling $521,731 was credited to the CDPA partners in June 2022. There is a three-year look back period in which the retirement accounts for the active members may be adjusted. The results of operations for the fiscal year ended May 31, 2022, includes the operations of the acquired firm since the date of acquisition of July 1, 2021.

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

NOTE 3. GOODWILL

Goodwill represents the excess of cost over the fair value of the net assets purchased in business acquisitions and is amortized over an estimated useful life of five to eleven years.

The following table provides a summary of the Firm's goodwill components:

	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
May 31, 2023			
Dial Hite & Associates, LLC	$ 202,696	$ (104,042)	$ 98,654
Advisory Information Technology LLC	309,131	(211,237)	97,894
Plush Smith, PA	278,201	(153,003)	125,198
	$ 790,028	$ (468,282)	$ 321,746
May 31, 2022			
Dial Hite & Associates, LLC	$ 202,696	$ (85,682)	$ 117,014
Advisory Information Technology LLC	309,131	(149,413)	159,718
Plush Smith, PA	278,201	(97,371)	180,830
	$ 790,028	$ (332,466)	$ 457,562

Amortization expense related to goodwill was $135,816 and $135,827 for the years ended May 31, 2023 and 2022, respectively. The estimated amortization expense related to goodwill for future periods is summarized as follows:

2024	$ 135,816
2025	110,062
2026	32,294
2027	18,360
2028	18,360
2029 and beyond	6,854
Total	$ 321,746

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

NOTE 4. NOTES PAYABLE AND LINE OF CREDIT

The Firm has an operating line of credit with a large regional financial institution. The maximum amount available under the line of credit is $12,000,000. The Firm had no outstanding balance as of May 31, 2023 or 2022. The credit agreement specifies a variable interest rate calculated at the Prime Rate, which was 8.25% at May 31, 2023. The credit agreement is secured by the assets of the Firm. The credit agreement matures on February 5, 2025.

As disclosed in Note 8, various Firm office locations are owned through related party entities that are comprised of members who are also Firm members or retired members. These entities have incurred debt for the acquisition and operation of these facilities which the Firm guarantees. As of May 31, 2023 and 2022, the outstanding balances on these note agreements that the Firm has guaranteed was $6,029,434 and $3,879,444, respectively.

NOTE 5. LIFE INSURANCE

As of May 31, 2023, the Firm is the owner of life insurance policies on 66 current and retired members and directors with a face value totaling $38,800,000. The Firm also owns policies insuring two former employees with a face value totaling $200,000. Expense incurred for life insurance premiums amounted to $114,789 and $94,555 for the years ended May 31, 2023 and 2022, respectively.

NOTE 6. DEFINED CONTRIBUTION PLAN

The Firm has a defined contribution 401(k) plan for all employees and members. The Firm contributes 50% of the employee's contribution up to a maximum of 6% of the contributing employee's eligible compensation. For the years ended May 31, 2023 and 2022, the Firm contributed $837,753 and $698,573, respectively, to the plan. The Firm does not match member contributions.

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

NOTE 7. MEMBERS' RETIREMENT ACCOUNT

In accordance with the Firm's operating agreement, the Firm maintains unfunded retirement accounts for each member and other individuals added as part of business combinations. At the end of each fiscal year, the total of all accounts equal adjusted net fees for that year. A retired member's account is paid out of earnings over a 10-year period from the date of the member's retirement or termination.

NOTE 8. LEASE COMMITMENTS AND RENTAL EXPENSE WITH RELATED PARTIES

Accounting Standards Update ("ASU") 2016-02 for leases became effective on June 1, 2022. The Firm has not implemented this standard and has continued the previous accounting for these leases as operating leases.

Albany Office:

The Firm has a lease agreement for office space located at 2911 Meredyth Drive Albany, Georgia from an entity that is comprised of members who are also Firm members or retired members. The term of the lease expires December 31, 2037. The Firm guarantees the debt of the related party in the amount of $3,385,090.

For the year ended May 31, 2023, the Firm made payments of $125,000.

The total minimum rental commitment as of May 31, 2023, is as follows:

Year ending May 31,	
2024	$ 312,000
2025	312,000
2026	312,000
2027	312,000
2028	312,000
2029 and beyond	2,990,000
Total minimum lease payments	$ 4,550,000

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

NOTE 8. LEASE COMMITMENTS AND RENTAL EXPENSE WITH RELATED PARTIES (CONTINUED)

Columbia Office:

The Firm has a lease agreement for office space located at 508 Hampton Street Columbia, South Carolina from an entity that is comprised of members who are also Firm members or retired members. The Firm's lease includes 20,664 square footage, a portion of which is subleased. The term of the lease expires September 30, 2029. The Firm is required to pay a pro-rata share of excess expenses incurred in operating and maintaining the building. The Firm provides a guarantee on the debt of this related party in the amount of $2,644,344.

For the years ended May 31, 2023 and 2022, the Firm made payments of $304,524 and $278,548, respectively.

The total minimum rental commitment as of May 31, 2023, is as follows:

Year ending May 31,	
2024	$ 342,842
2025	353,113
2026	363,663
2027	374,587
2028	385,838
2029 and beyond	531,116
Total minimum lease payments	$ 2,351,159

Athens Office:

The Firm has a lease agreement for space located at 213 South Houston Street Athens, Alabama from an entity that is comprised of members who are also Firm members or retired members. The term of the lease expires January 31, 2032.

For the years ended May 31, 2023 and 2022, the Firm made payments of $99,264 and $33,088, respectively.

The total minimum rental commitment as of May 31, 2023, is as follows:

Year ending May 31,	
2024	$ 99,264
2025	99,264
2026	99,264
2027	99,264
2028	99,264
2029 and beyond	463,232
Total minimum lease payments	$ 959,552

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

NOTE 9. OTHER LEASE COMMITMENTS AND RENTAL EXPENSE WITH UNRELATED PARTIES

The Firm has lease agreements for all other office locations with expirations from 2024 to 2036. The agreements include escalating rental payments which result in accrued rent recorded on the balance sheet. The Firm is required to pay a pro-rata share of excess expenses incurred in operating and maintaining the buildings including property taxes. The Firm has not implemented ASU 2016-02 and has continued the previous accounting for these leases as operating leases.

The total minimum rental commitment as of May 31, 2023, is as follows:

Year ending May 31,	
2024	$ 2,505,693
2025	2,452,478
2026	2,721,886
2027	2,340,209
2028	2,284,288
2029 and beyond	15,858,568
Total minimum lease payments	$ 28,163,121

The total rent expense charged to income for the years ended May 31, 2023 and 2022 related to all leases consists of the following:

	2023	2022
Rent paid under lease	$ 2,960,903	$ 2,047,248
Expense incurred	126,815	(31,945)
Deferred rent amortization	(23,208)	(23,209)
Pro-rata share of excess expenses	150,902	83,477
	$ 3,215,412	$ 2,075,571

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4.9. Cost Schedule/Proposal

Below is a copy of the information that was uploaded as Attachment A: 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*		
Services Category	**Staff Base Rate**	**Staff Upper Rate**	**Supervisor**	**Executive**	**Specialists**		
Operational/Performance Audit	185	**225**	275	325	**375**		
Investigative Audit	185	225	275	325	375		
Compliance Audit	185	225	275	325	375		
Information System Audit	185	225	275	325	375		
Risk Assessment and Audit Plan	185	225	275	325	375		
Development	185	225	275	325	375		
Financial Audit	185	225	275	325	375		
Data Analytic Services	185	225	275	325	375		
Managerial Advisory Services	185	225	275	325	375		
Accounting Services	185	225	275	325	375		

5.4. Project Staffing

Professional Staff

As demonstrated above, Mauldin & Jenkins provides a full suite of internal audit, risk assessment, and operational and financial review services to governments of all sizes across the country. We have extensive experience assessing and positively transforming public sector operations, focusing on service delivery models, business processes, organizational structures, internal controls, performance management, effective use of technology systems, reporting, communications, and most importantly of all – *results*. The M&J Team consists of seasoned executives, including chief audit executives and former state government executives who led and oversaw internal audit, risk management, finance, accounting, human resources, customer service, and program delivery functions.

Resumes

Due to the number of team members, the resumes for key service delivery members of the M&J Team have been included as an Appendix.



5.5. Technical Approach

Key Personnel Qualifications

The following table shows demonstrates the experience by team personnel compared to the Scope of Work and indicates service areas in which each team member has experience and qualifications. As the chart indicates, the Mauldin & Jenkins Team is highly experienced with comparable projects provided to other governmental entities across the United States. We are proud to offer this Team to the State of North Carolina. While the list is not exhaustive of our Governmental Practice, the names below are representative of our Team's capabilities and expertise.

	STC# 8411A Audit Services								
Team Member and Classification	a. Operational/Performance Audit	b. Investigative Audit	c. Compliance Audit	d. Information Systems Audit	e. Data Analytics/Continuos Monitoring	f. Risk Assessment and Audit Plan Development	g. Financial Audit	h. Accounting and Financial Services	i. Managerial Advisory Services
David Roberts (Executive)	●	●	●	●	●	●	●	●	●
Adam Fraley (Executive)	●	●	●	●	●	●	●	●	●
Dave Jahosky (Executive)	●		●	●	●	●	●		●
Doug Moses (Executive)	●	●	●	●	●	●	●	●	●
James Bence (Executive)	●	●	●	●	●	●	●	●	
Jameson Miller (Executive)	●	●	●	●	●	●	●	●	●
Tim Lyons (Executive)	●	●	●	●	●	●	●	●	
Trey Scott (Executive)	●	●	●	●	●	●	●	●	
Kate Russell (Supervisor)	●	●	●	●	●	●	●	●	●
LeAnn Bagasala (Supervisor)	●	●	●			●	●	●	●
Allison Hightower (Supervisor)	●	●	●	●	●	●	●	●	●
Brian Groome (Supervisor)	●		●		●	●			●
Graham Sweeney (Supervisor)	●	●	●	●	●	●	●	●	●
Will Derzis (Supervisor)	●	●	●	●	●	●	●	●	●
Jake Connor (Supervisor)	●			●	●		●	●	●
Coleman Loftin (Staff)	●		●	●	●	●			●
Haley Kasnic (Staff)	●		●	●	●	●			●
John Carolin (Staff)	●		●	●	●	●			●
William Perdue (Staff)		●	●			●	●	●	

Audit Methodology

This section highlights our methodology and insights to meet our stated objectives, and to provide exceptional value-added services to North Carolina eligible entities. We understand the NCDOA's primary objective for the STC is to engage a firm to be pre-qualified to provide 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.

Our Internal Audit services may be conducted in accordance with the following standards, as agreed to by the NCDOA.

- *Government Auditing Standards* issued by the Comptroller General of the United States (also referred to as "Yellow Book"),
- Consulting standards issued by the American Institute of Certified Public Accountants, or
- International Professional Practices Framework ("IPPF" or Red Book") promulgated by The Institute of Internal Auditors ("IIA") and the IIA's Supplemental Guidance for Public Sector organizations.

Internal Audit Services

Mauldin & Jenkins offers customized services based on our client's unique objectives, ranging from fully outsourced internal audit to assistance establishing an internal audit program. Our goals are to improve risk, enhance efficiency, add value, and reduce overall costs. Risk identification and management have become critical for safeguarding your organization against potential threats.

Internal Audit Today

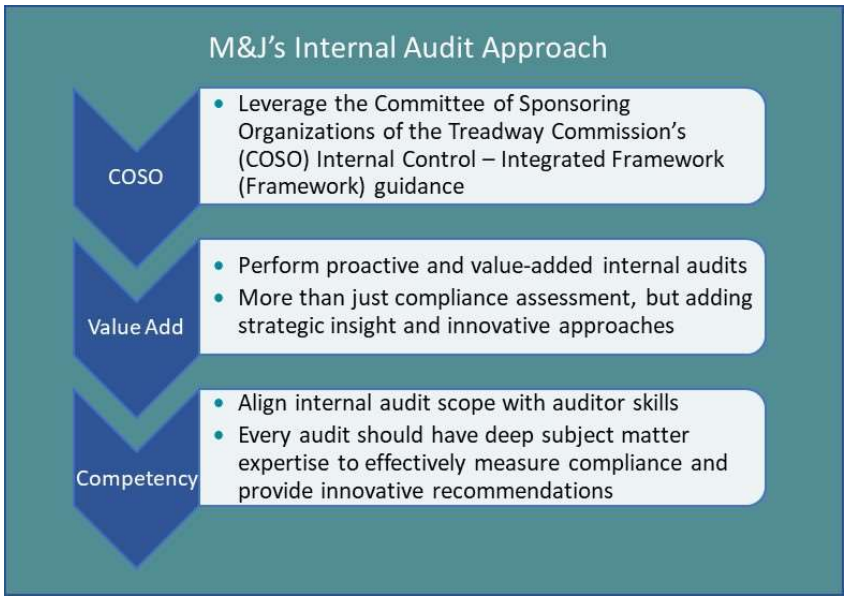
Today's tougher regulations and higher expectations by stakeholders mean that organizations need to demonstrate greater discipline, control, and responsibility. Internal Audit has shifted from being purely compliance-based to being a strategic asset to drive business performance. Regular control reviews using tools designed to identify trends in a rapidly changing environment impact growth and keep an organization moving towards success. Mauldin & Jenkins is committed to, and will maintain compliance with, all audit requirements and standards. We provide the highest quality of audit service to our clients by placing experienced partners and staff in the field, maintaining open lines of communication, and by minimizing the disruption of operations during an audit.

M&J's Risked-based/Value-added Approach

Our Internal Audit professionals work with your management team to:

- systematically review operations, and
- continuously improve your organization's governance, risk management, and management controls.

Our risked-based/value-added approach is aimed at identifying how well risks are managed including whether the right processes are in place, and whether the agreed-upon procedures are being followed; as well as identifying alternative operating or delivery models for enhancing efficiency and effectiveness within the control environment. Our Internal Audit Reports provide insight based on analysis and assessments of your data and processes; as well as public and private sector operational knowledge to help create a desired future state that mitigates risk and enhances operations.



We will work with North Carolina eligible entities to refine the risk management procedures that span across all areas of the organization from financial control and information technology to the organization's culture and ethics. Any aspect that has an impact on the effective operation of the organization may be included in our scope. Our procedures are flexible and scalable to your specific requirements while ensuring we deliver value-added services that help our clients maintain accountability, transparency, objectivity, and operational excellence. M&J's Internal Audit Philosophy and approach for North Carolina eligible entities is based on three core values:

- Leverage the Committee of Sponsoring Organizations of the Treadway Commission's (COSO) Internal Control – Integrated Framework (Framework) guidance
- Perform proactive and value-added internal audits
- Align internal audit scope with auditor skills

Leverage COSO's Framework Guidance



We understand that the SCDHHS Internal Audit function is in a building stage with limited staff resources. The M&J Team recognizes the significant role that the Internal Audit function can and should play in an organization. The days of the Internal Audit function being reactive and not having a loud voice when setting organizational strategy are over. Leading Internal Audit functions of today, and tomorrow, are proactive in identifying and mitigating risks, and are helping to define and shape future strategies and operations in a risk-minded manner. When you engage M&J, you will not only be engaging a firm to conduct a number of internal audits, but you will also be engaging a firm that has detailed understanding of the Internal Audit function and management. We will be at the State's service to help ensure its Internal Audit function fully evolves into a leading

practice example, and maintains core values and principles as defined, or similar to COSO guidance. Your M&J Team members have direct experience establishing and evolving governmental internal audit functions based on leading practices. The following table lists the 5 components and corresponding 17 principles included in the COSO framework. Please note, the COSO cube and information in the following table are from COSO's Internal Control – Integrated Framework.

COSO Component	Principle
Control Environment	The organization demonstrates a commitment to integrity and ethical values The board of directors demonstrates independence from management and exercises oversight of the development and performance of internal control Management establishes, with board oversight, structures, reporting lines, appropriate authorities, and responsibilities in the pursuit of objectives The organization demonstrates a commitment to attract, develop, and retain competent individuals in alignment with objectives The organization holds individuals accountable for their internal control responsibilities in the pursuit of objectives
Risk Assessment	The organization specifies objectives with sufficient clarity to enable the identification and assessment of risks relating to objectives The organization identifies risks to the achievement of its objectives across the entity and analyzes risks as a basis for determining how the risks should be managed The organization considers the potential for fraud in assessing risks to the achievement of the objectives The organization identifies and assesses changes that could significantly impact the system of internal control
Control Activities	The organization selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels The organization selects and develops general control activities over technology to support the achievement of objectives The organization deploys control activities through policies that establish what is expected and procedures that put policies into action
Information and Communication	The organization obtains or generates and uses relevant, quality information to support the functioning of internal control The organization internally communicates information, including objectives and responsibilities for internal control, necessary to support the functioning of internal control The organization communicates with external parties regarding matters affecting the functioning of internal control
Monitoring Activities	The organization selects, develops, and performs ongoing and/or separate evaluations to ascertain whether the components of internal control are present and functioning The organization evaluates and communicates internal control deficiencies in a timely manner to those parties responsible for taking corrective action, including senior management and the board of directors, as appropriate

Approach 1: Audit Assurance, Risk Assessment/Audit Plan Development and Advisory Service Categories

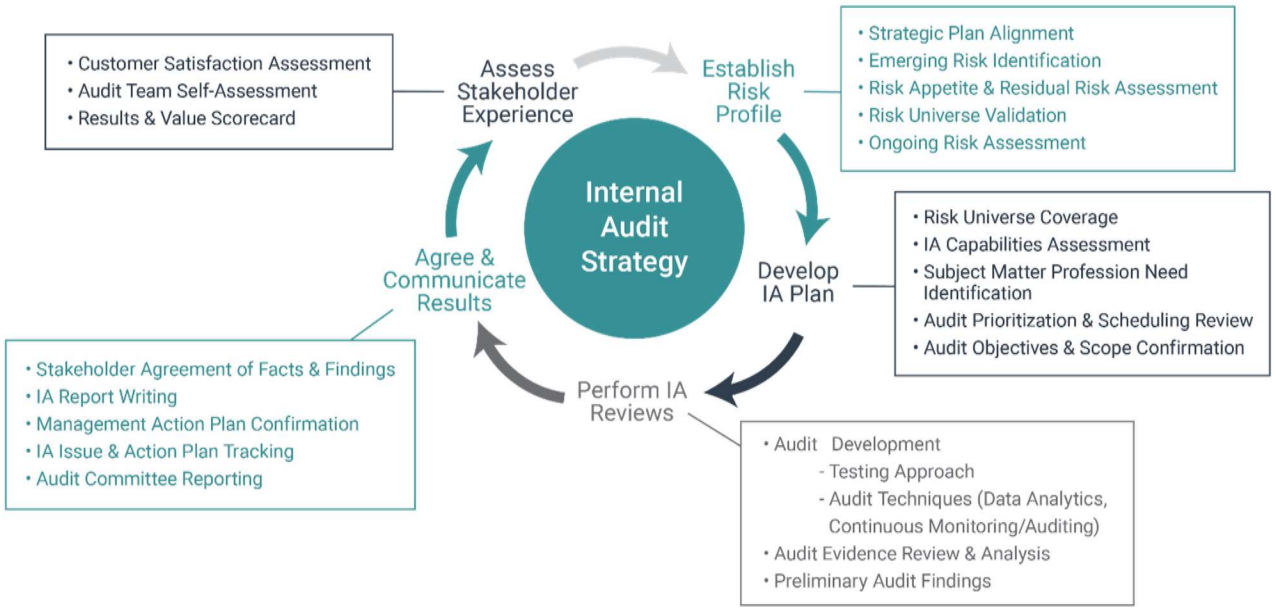
Perform Proactive and Value-added Internal Audits

We applaud the state of North Carolina's ongoing efforts to invest in its Internal Audit, Accounting, and Managerial Advisory functions. The M&J Team wants to help continue to build off of the momentum by completing the internal audit, accounting and managerial advisory projects not only focusing on compliance, but by adding meaningful insight into leading practices and lessons learned from Medicaid and other similar programs from around the country. Far too often, internal audits only measure compliance and produce abstract or unrealistic recommendations. Our approach is different. We will certainly measure compliance of program activities to established criteria and governing requirements, but we will also understand your supporting service delivery models and supporting workflow to identify additional potential risks, and to compare North Carolina eligible entity operations and methods to leading compliance and programmatic techniques established in both the private and public sectors. Our recommendations will be meaningful and will help North Carolina eligible entities not only maintain compliance, but also allow for opportunities to enhance the efficiency and effectiveness of its operations and service delivery to its stakeholders. Our recommendations will not be abstract or unrealistic – they will be detailed, attainable, and actionable for North Carolina eligible entities.



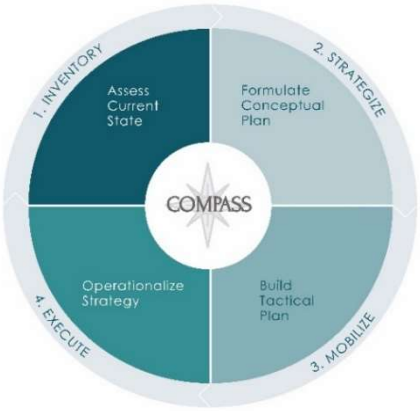
Internal Audit Lifecycle

The Internal Audit methodology applies the specific Internal Audit Strategy co-developed and agreed with your leadership. From this point forward it tracks the Internal Audit lifecycle as depicted below. Each of the five phases of our methodology are driven by the Internal Audit Strategy. Further, each bullet represents a deliverable that is reviewed and agreed upon with the client.



Compass

Part of our approach is based on our proprietary assessment and transformation methodology – COMPASS. The COMPASS methodology was developed based on leading practices, client input, and proven project and change management activities. Our transformation experience, approach, and tools help the M&J Team to hit the ground running and to help clients realize their goals and objectives.



COMPASS guides clients through their transformation journeys providing leading practices, lessons learned, and options for future state operations. The methodology is detailed and requires sound evidence to be obtained before making recommendations or presenting options. COMPASS is based on the following four critical stages for strategically assessing, creating, and implementing successful transformation:

- Inventory – *assess the current state*
- Strategize – *formulate conceptual plan based on current state, leading practices, and organizational strategic direction*
- Mobilize – *build tactical plan with significant details to implement the recommendations and strategy*
- Execute – *operationalize the strategy through implementation*

The following content details the specific tasks and outputs associated with all four COMPASS stages for a typical transformation management consulting project:



Inventory

We leverage the "Inventory" stage within COMPASS to gain an understanding and to document the client's current state of operations, management, and performance. The following graphic summarizes the typical activities and outputs that the "Inventory" stage is designed to accomplish.

Strategize

We leverage the "Strategize" stage within COMPASS to take the information and knowledge gleaned from the "Inventory" stage, and craft meaningful recommendations that align with leadership's vision of an effective and efficient future. The following graphic summarizes the typical activities and outputs that the "Strategize" stage is designed to accomplish.





Mobilize

We leverage the "Mobilize" stage within COMPASS to take the high-level strategy (defined future state vision, service delivery models, operating models, and other recommendations) developed in the "Strategize" stage and create a detailed workplan for achieving the desired future state. The following graphic summarizes the typical activities and outputs that the "Mobilize" stage is designed to accomplish.

Execute

We leverage the "Execute" stage within COMPASS to begin operationalizing the future state strategy as defined in the detailed workplans and project/program artifacts developed in the "Mobilize" stage. The following graphic summarizes the typical activities and outputs that the "Execute" stage is designed to accomplish.



Tasks, Deliverables, and Timeline

This section outlines our tasks, deliverables, and timeline for conducting the following types of services:

- Operational/Performance Audit
- Investigative Audit
- Compliance Audit
- Information Systems Audit
- Risk Assessment and Audit Plan Development
- Financial Audit
- Managerial Advisory Services

The following table demonstrates the phases and schedule for completing the Accounting & Financial Services:

Step/Phase	Description	Internal Audit Lifecycle
AUDIT/RISK ASSESSMENT/ADVISORY SERVICES PLAN EXECUTION PHASES		
Phase 1	Initiation and Planning	Perform IA Reviews
Phase 2	Information Gathering	Perform IA Reviews
Phase 3	Field Work and Data Analysis	Perform IA Reviews
Phase 4	Validation and Reporting	Agree and Communicate Results
Phase 5	Debrief and Delivery Assessment	Assess Stakeholder Experience

Tailored Approach – For each engagement we begin with a detailed audit plan based on our detailed

understanding of the client's policies, procedures, and risk areas. We obtain this understanding through the performance of walkthroughs and internal control documentation questionnaires. We then develop audit procedures based on our engagement specific risk assessment. We use Firm manuals specifically designed for governments to develop audit programs tailored to our clients which incorporate the requirements set forth above. We anticipate that these procedures will enable us to express our professional opinion that the financial statements of the client present fairly, in all material respects, the financial position and results of operations of the various opinion units in conformity with accounting principles generally accepted in the United States of America.

Phase 1 – Initiation and Planning
Phase 1 is the first phase in which we will begin executing against the Plan. We will begin the audit or review of the in-scope divisions or functional areas by conducting an entrance interview with leadership within the divisions or functional areas. The purpose of the division-specific entrance interview will be to introduce the M&J Team and explain the goal and process of the audit to divisional leadership. The goal of the entrance interview is to ensure participation and trust in the process begins at the top of each division or functional area and is subsequently relayed by leadership throughout the division or functional area. We will discuss access to people and information needed during the engagement and methods for requesting and obtaining interviews and data.

We will work with the eligible entity's project sponsor to create an initial interview request list. Once the engagement has begun and knowledge has been learned, additional information and interview request lists will be developed and submitted to the client.

Outputs: Initial Information and Interview Requests

Phase 2 – Information Gathering
The Information Gathering Phase will consist of obtaining information from two primary sources for the detailed risk assessment: information requested and received from the North Carolina eligible entity and from interviews/workshops/surveys. This phase will incorporate the Inventory stage of the COMPASS methodology. The insights from these sources will allow the M&J Team to execute the Plan.

We will create a tracking matrix to identify what information has been received and the completeness of the information compared to what was requested. We will also create a tracking matrix for the interviews/workshops/survey requested and the timeliness of being able to conduct the meetings and obtain necessary data. We will include the information and interview/workshop/survey tracking matrices in our weekly status reports to the client to ensure visibility into any delays or obstacles.

Outputs: Additional Information and Interview Requests, Tracking Matrices

Phase 3 – Field Work and Data Analysis
We will begin executing the audit or review work once we have conducted the entrance interview. Our approach will leverage significant amounts of data and information to guide our findings, analysis, and recommendations. Some tasks may be performed concurrently, and the tasks performed will be aligned to meet the respective audit objective. As we analyze the data, we will leverage the Strategize stage of the COMPASS Methodology. We will perform our initial fieldwork primarily by:

- Conducting interviews/workshops/surveys;

- Reviewing requested information and data;
- Performing field/workflow/system observations;
- Benchmarking to leading practices.

After reviewing relevant information for each audit or review, we will test certain control effectiveness and compliance processes.

Conducting Interviews/Workshops/Surveys
Mauldin & Jenkins will conduct numerous interviews with the client's management and staff. We will use the interviews to gain an understanding of people's roles and responsibilities, organization and reporting, staffing, operating functions, key business processes, strategic goals and initiatives, use of technology, communications, customer (internal and external) interfaces, performance measures, and applicable governing compliance requirements. We will meet with certain employees one-on-one and will conduct group interviews or workshops where it makes sense.

We will allow divisional employees to participate in an interview, a group meeting/workshop, or an anonymous survey. We want to be inclusive and help ensure that all voices are heard. Before all interviews or workshops, we will prepare an interview guide containing relevant questions and guiding thoughts to help direct the meetings.

In addition to the in-person meetings, we may conduct an anonymous electronic survey for employees, as needed. The survey can be used to help us understand common themes and trends around operational, organizational, and cultural perceptions. We will work with the client project sponsor to develop the questions and obtain email distribution lists. The information from the interviews and surveys will be used as a guide. We will report common perception themes and trends but will not rely on any information gleaned without obtaining underlying supporting data as evidence.

Reviewing Requested Information and Data
We will review a significant amount of information to help form our understanding of the current environment. Information to be reviewed may include, but will not be limited to:

- Prior relevant audit findings
- Prior relevant performance/operational reviews
- Workflow diagrams or mapping
- Strategic plans, initiatives, and special project information
- Governing Federal and State requirements
- Contracts/memorandums of understanding/agreements with federal grantor agencies, subrecipients, and third-party providers
- Communications with Federal grantor agencies, subrecipients, and third-party providers
- Organization charts
- Staffing information for past five years
- Job descriptions including roles and responsibilities
- Policies and procedures
- Service catalogs
- Service level data
- Employee surveys
- Customer satisfaction surveys
- KPI or other performance data
- Financial and budgetary information for past five years
- Management reports
- Technology/systems inventory

Performing Field/Workflow/System Observations

Part of our field work will include performing direct observations and testing of business processes, workflow, compliance, and system usage. We want to understand first-hand how processes and workflow actually operate – not just how they are supposed to operate. We will get our boots muddy and shadow key operational tasks being performed whether they occur in an office setting or out in the field.

Benchmarking to Leading Practices

We have extensive data and insight into leading operational, performance, compliance, and risk-avoidance practices with which we will compare the System's current environment. We maintain an extensive data catalog containing numeric data points at the functional level and common leading practices for operational processes and service delivery models. We will perform a Gap Analysis comparing different operational aspects of the client with leading practices based on desired goals and objectives. We will help the client determine its desired balance between efficiency and risk to help define a future desired operating model.

Controls

There are generally two types of controls:

- Preventative – designed to prevent something from occurring.
- Detective – designed to find something after it has occurred.

As we test certain processes, we will interview relevant process stakeholders; review and understand applicable policies, procedures, and desktop manuals; observe the process workflow in real time; and identify established preventative controls and outcomes. We will test the controls by reviewing the preventative control attributes, such as:

- Security/permissions.
- Segregation of duties.
- Access.
- Approvals.
- Conflicts of interest.

We will also identify existing detective controls or processes such as performance reviews, reconciliations, and inventories/audits. We will consider the control objectives and designed outcomes as we test the established preventative and detective controls. We will perform procedures to test the control design and attempt to break or work around the established controls. We will also leverage a sampling technique to help measure control effectiveness. We will document the current state environment, highlighting workflow, technology interfaces, current preventative and detective controls, and the results of our control testing.

Compliance
In addition to testing controls, we will measure and test compliance. We understand governing compliance requirements and the processes and functions subject to compliance. Compliance criteria likely come from multiple sources, including federal, state, and local requirements. We will evaluate the supporting technology, workflow, and business processes that enable or create outcomes subject to compliance requirements. As we understand the relevant compliance criteria, we will not only ascertain the client's levels of compliance, but we will also review the established preventative and detective controls that exist to help achieve and maintain compliance. We will also leverage a sampling technique to help measure various levels of compliance.

Outputs: Documentation of current state and risks to internal controls and compliance

Phase 4 – Validation and Reporting
We will begin this phase while fieldwork is still being conducted. The purpose of this phase is to:

- Share preliminary observations with the appropriate stakeholders through meetings/workshops;
- Receive feedback on the preliminary observations;
- Based on feedback received, perform additional fieldwork or data analysis as applicable;
- Prepare Draft Audit Report;
- Communicate Draft Audit Report to the client's project sponsor and appropriate stakeholders;
- Obtain written feedback from Draft Audit Report;
- Prepare Final Audit Report;
- Conduct Exit Interviews and present Final Audit Report to appropriate stakeholders.

Our observations and recommendations will be based on sound evidence. Our approach is implemented with meticulous care and rigor to ensure quality, data-driven recommendations that will help put the client in the best position to achieve its mission of improved efficiency, enhanced security and trust, and increased effectiveness. We understand the importance of this project and realize that the report may be in the public domain. We will take a no-surprises approach to this engagement – meaning we will regularly communicate with the project sponsor throughout the project lifecycle.

We will present a Draft Audit Report to the client for each in-scope audit approximately two weeks before the Final Audit Report, allowing time for review and adjustments as appropriate. After receiving feedback on the Draft Audit Report, we will make any appropriate adjustments and will issue and present the Final Audit Report to the client.

In our report, you will not learn about any issue or recommendation for the first time. As we identify observations, we will share them with the client project sponsor through status reports, formal meetings, or informal telephone calls. Our process is rigorous to ensure full review and analysis of the current state to facilitate detailed conversations about options for future state models. We will also incorporate communications and messaging strategies for sharing this information with other stakeholders where practicable. Our observations and potential recommendations will consider the cost savings, impacts on service delivery, and potential templates for enhancing efficiency and effectiveness. Each audit performed in accordance with the Audit Plan will result in a unique Audit Report.

Outputs: Draft Audit Report, Final Audit Report

Phase 5 – Debrief and Delivery Assessment
The final phase of plan execution is evaluating the work performed for quality and soliciting feedback from key stakeholders. Phase 5 will include the following tasks:

- Review work performed in light of the standards, processes, and procedures established;
- Conduct a Debrief Meeting with the appropriate stakeholders to identify improvement areas, scope enhancements, or notes for the next audit or review;
- Solicit feedback from stakeholders to understand their perspectives on the procedures, project execution, team, and outcomes; and
- Consolidate review and feedback notes as part of the overall quality improvement program.

Outputs: Audit or Review Debrief

Approach 2: Data Analytics/Continuous Monitoring

This section outlines our approach for providing data analytics and continuous monitoring services. Mauldin & Jenkins is excited to be one the first accounting firms in the Southeast to utilize an artificial intelligence tool as part of our audit process – the AI Auditor. The AI Auditor allows for us to scan 100% of your transactions and provide new risk-based data analytics and insights during the audit (such as anomalous transaction patterns found). These risk-based insights can be opportunities to correct mistakes or point to areas where there may be malicious activity. As part of our audit methodology, AI systems are becoming what sampling used to be. Sampling was a coping mechanism for big data; the new coping mechanism for big data is Artificial Intelligence (AI). As the amount of data in all audits increase, tools like these are more and more necessary to ensure we can provide you the highest quality audits and advice.

Tailored Approach – For each engagement we begin with a work plan based on our detailed understanding of the client's policies, procedures, and risk areas. We obtain this understanding through the performance of walkthroughs and internal control documentation review. We then develop analytics and monitoring procedures based on our engagement requirements.

Phase 1 – Initiation and Planning
Phase 1 is the first phase in which we will begin executing against the Plan. We will begin the review of the in-scope divisions or functional areas by conducting an entrance interview with leadership within the divisions or functional areas. The purpose of the division-specific entrance interview will be to introduce the M&J Team and explain the goal and process of the project to the project sponsors. The goal of the entrance interview is to ensure participation and trust in the process begins at the top of each division or functional area and is subsequently relayed by leadership throughout the division or functional area. We will discuss access to people and information needed during the engagement and methods for requesting and obtaining interviews and data.

We will work with the eligible entity's project sponsor to create an initial interview request list. Once the engagement has begun and knowledge has been learned, additional information and interview request lists will be developed and submitted to the client.

Outputs: Initial Information and Interview Requests

Phase 2 – Information Gathering

The Information Gathering Phase will consist of obtaining information from two primary sources for the detailed risk assessment: information requested and received from the North Carolina eligible entity and from interviews/data analysis/client provided data. This phase will incorporate the Inventory stage of the COMPASS methodology. The insights from these sources will allow the M&J Team to execute the Plan.

We will create a tracking matrix to identify what information has been received and the completeness of the information compared to what was requested. We will also create a tracking matrix for the interviews/workshops/survey requested and the timeliness of being able to conduct the meetings and obtain necessary data. We will include the information and interview/workshop/survey tracking matrices in our weekly status reports to the client to ensure visibility into any delays or obstacles.

Outputs: Additional Information and Interview Requests, Tracking Matrices

Phase 3 – Field Work and Data Analysis

We will begin executing review work after we have conducted the entrance interview. Our approach will leverage significant amounts of data and information to guide our findings, analysis, and recommendations. Some tasks may be performed concurrently, and the tasks performed will be aligned to meet the respective audit objective. As we analyze the data, we will leverage the Strategize stage of the COMPASS Methodology. We will perform our initial fieldwork primarily by:

- Conducting interviews/workshops/surveys;
- Reviewing requested information and data;
- Performing field/workflow/system observations;
- Benchmarking to leading practices.

After reviewing relevant information for each audit or review, we will test certain control effectiveness and compliance processes.

Conducting Interviews/Workshops/Surveys

Mauldin & Jenkins will conduct numerous interviews with the client's management and staff. We will use the interviews to gain an understanding of people's roles and responsibilities, organization and reporting, staffing, operating functions, key business processes, strategic goals and initiatives, use of technology, communications, customer (internal and external) interfaces, performance measures, and applicable governing compliance requirements. We will meet with certain employees one-on-one and will conduct group interviews or workshops where it makes sense.

We will allow divisional employees to participate in an interview, a group meeting/workshop, or an anonymous survey. We want to be inclusive and help ensure that all voices are heard. Before all interviews or workshops, we will prepare an interview guide containing relevant questions and guiding thoughts to help direct the meetings.

In addition to the in-person meetings, we may conduct an anonymous electronic survey for employees, as needed. The survey can be used to help us understand common themes and trends around operational, organizational, and cultural perceptions. We will work with the client project sponsor to develop the questions and obtain email distribution lists. The information from the interviews and surveys will be used as a guide. We will report common perception themes and trends but will not rely on any information gleaned without obtaining underlying supporting data as evidence.

Reviewing Requested Information and Data

We will review a significant amount of information to help form our understanding of the current environment. Raw data or information to be reviewed may include, but will not be limited to:

- Prior relevant audit findings
- Prior relevant performance/operational reviews
- Workflow diagrams or mapping
- Strategic plans, initiatives, and special project information
- Governing Federal and State requirements
- Contracts/memorandums of understanding/agreements with federal grantor agencies, subrecipients, and third-party providers
- Communications with Federal grantor agencies, subrecipients, and third-party providers
- Transactional data
- Policies and procedures
- Service catalogs
- Service level data
- KPI or other performance data
- Financial and budgetary information for past five years
- Management reports
- Technology/systems inventory

Performing Field/Workflow/System Observations

Part of our field work will include performing direct observations and testing of business processes, workflow, compliance, and system usage. We want to understand first-hand how processes and workflow actually operate – not just how they are supposed to operate. We will get our boots muddy and shadow key operational tasks being performed whether they occur in an office setting or out in the field.

Benchmarking to Leading Practices

We have extensive data and insight into leading operational, performance, compliance, and risk-avoidance practices with which we will compare the System's current environment. We maintain an extensive data catalog containing numeric data points at the functional level and common leading practices for operational processes and service delivery models. We will perform a Gap Analysis comparing different operational aspects of the client with leading practices based on desired goals and objectives. We will help the client determine its desired balance between efficiency and risk to help define a future desired operating model.

Controls

As part of the ongoing monitoring and based on the outcomes of prior audits or reviews, we will perform procedures to test the control design and attempt to break or work around the established controls. We will also leverage a sampling technique to help measure control effectiveness. We will document the current state environment, highlighting workflow, technology interfaces, current preventative and detective controls, and the results of our control testing.

Compliance

In addition to testing controls, we will measure and test compliance. We understand governing compliance requirements and the processes and functions subject to compliance. Compliance criteria likely come from multiple sources, including federal, state, and local requirements. We will evaluate the supporting technology, workflow, and business processes that enable or create outcomes subject to compliance requirements. As we understand the relevant compliance criteria, we will not only ascertain the client's levels of compliance, but we will also review the established preventative and detective controls that exist to help achieve and maintain compliance. We will also leverage a sampling technique to help measure various levels of compliance.

Outputs: Documentation of current state and risks to internal controls and compliance

Phase 4 – Validation and Reporting

We will begin this phase while fieldwork is still being conducted. The purpose of this phase is to:

- Share preliminary observations with the appropriate stakeholders through meetings/workshops;
- Receive feedback on the preliminary observations;
- Based on feedback received, perform additional fieldwork or data analysis as applicable;
- Prepare Draft Report;
- Communicate Draft Audit Report to the client's project sponsor and appropriate stakeholders;
- Obtain written feedback from Draft Report;
- Prepare Final Report;
- Conduct Exit Interviews and present Final Report to appropriate stakeholders.

Our observations and recommendations will be based on sound evidence. Our approach is implemented with meticulous care and rigor to ensure quality, data-driven recommendations that will help put the client in the best position to achieve its mission of improved efficiency, enhanced security and trust, and increased effectiveness. We understand the importance of this project and realize that the report may be in the public domain. We will take a no-surprises approach to this engagement – meaning we will regularly communicate with the project sponsor throughout the project lifecycle.

We will present a Draft Audit Report to the client for each in-scope audit approximately two weeks before the Final Audit Report, allowing time for review and adjustments as appropriate. After receiving feedback on the Draft Audit Report, we will make any appropriate adjustments and will issue and present the Final Audit Report to the client.

In our report, you will not learn about any issue or recommendation for the first time. As we identify observations, we will share them with the client project sponsor through status reports, formal meetings, or informal telephone calls. Our process is rigorous to ensure full review and analysis of the current state to facilitate detailed conversations about options for future state models. We will also incorporate communications and messaging strategies for sharing this information with other stakeholders where practicable. Our observations and potential recommendations will consider the cost savings, impacts on service delivery, and potential templates for enhancing efficiency and effectiveness. Each audit performed in accordance with the Audit Plan will result in a unique Audit Report.

Outputs: Draft Audit Report, Final Audit Report

Phase 5 – Debrief and Delivery Assessment
The final phase of plan execution is evaluating the work performed for quality and soliciting feedback from key stakeholders. Phase 5 will include the following tasks:

- Review work performed in light of the standards, processes, and procedures established;
- Conduct a Debrief Meeting with the appropriate stakeholders to identify improvement areas, scope enhancements, or notes for the next audit or review;
- Solicit feedback from stakeholders to understand their perspectives on the procedures, project execution, team, and outcomes; and
- Consolidate review and feedback notes as part of the overall quality improvement program.

Outputs: Audit or Review Debrief

Approach 3: Accounting & Financial Services

This section outlines our approach for conducting accounting and financial services.

Objectives

Assessment objectives and scope includes a representative workplan related to the ACFR development process, operational accounting, assistance with month end financial closings, trial balance preparation, Governmental Accounting Standards Board (GASB) implementation efforts, general ledger accounting transactions, cash management, and related operational accounting functions:

- Understand and document the current process(es) from end-to-end including the individual department/agency level who submit data and information (performed by sampling 3), and the Comptroller General's Office who aggregates data and information
- Assess the ACFR-related cash reconciliation process for roles and responsibilities, inputs/outputs, controls, and governance
- Assess the current process for controls, risks, automation, and efficiency
- Assess the current and potential use of technology
- Assess roles and responsibilities, and governance over the process(es)
- Assess the quality assurance performed throughout the process(es)
- Assess guidance/instructions/job aids and training used throughout the process(es)
- Compare the State's current process(es) to leading practices
- Identify opportunities for enhancement and risk reduction as applicable
- Develop meaningful recommendations to optimize the process(es)

Tasks, Deliverables, and Schedule

The following table demonstrates the phases and schedule for completing the Accounting & Financial Services:

Step/Phase	Description
ACCOUNTING & FINANCIAL SERVICES PLAN EXECUTION PHASES	
Phase 1	Initiation and Planning
Phase 2	Information Gathering
Phase 3	Field Work and Data Analysis
Phase 4	Validation and Reporting

Phase 1 – Initiation and Planning

Mauldin & Jenkins will conduct a kick-off meeting with the State-appointed project sponsor and other relevant project stakeholders. The purpose of the kick-off meeting will be to introduce the Mauldin & Jenkins Team; discuss roles and responsibilities; and project objectives, scope, timing, communication protocols, and potential risks. The meeting will allow for discussion at a more granular level to help ensure Mauldin & Jenkins and the State are aligned on key project attributes.

We will also discuss access to people and information needed during the Assessment and methods for requesting and obtaining interviews and data. We will bring an initial information request to the kick-off meeting based on our understanding of current scope and our knowledge of conducting similar assessments.

We will work with State to create an initial interview request list. Once the Assessment has begun and knowledge learned, additional information and interview request lists will be developed and submitted to the State.

Outputs: Initial Information and Interview Requests

Phase 2 – Information Gathering

The Information Gathering Phase will consist of obtaining information from two primary sources: information requested and received from the State, and from interviews.

We will create a tracking matrix to identify what information has been received and the completeness of the received information compared to what was requested. We will also create a tracking matrix for the interviews requested and timeliness of being able to conduct the meetings and obtain necessary data. We will include the information and interview tracking matrices in our bi-weekly status reports to the State to ensure visibility into any delays or obstacles.

Outputs: Additional Information and Interview Requests, and Tracking Matrices

Phase 3 – Fieldwork and Data Analysis

There will be significant amounts of data and information leveraged in our approach that will guide our findings, analysis, and recommendations. We will perform our initial fieldwork primarily by:

Reviewing Requested Information and Data

We will request and review relevant ACFR development information such as:

- Organization charts
- Roles and responsibilities/governance artifacts
- Process maps/workflow
- Technology inventory
- Instructions/guidance/job aids
- Policies and procedures
- Training materials
- Calendars
- Systems/tools
- Financial information and data

Conducting Interviews

Mauldin & Jenkins will conduct multiple interviews with State management and staff from multiple departments/agencies. We will use the interviews to gain an understanding of people's roles and responsibilities, organization and reporting, operating functions, financial management and activities, and compliance and risk mitigation – all related to the ACFR development process. We will meet with certain employees one-on-one and will conduct group interviews or workshops where it makes sense.

Performing Field/Workflow/System Observations

Part of our fieldwork will include performing direct observations of business processes, workflow, and system usage. We want to understand first-hand how processes and workflow actually operate – not just how they are supposed to operate.

Phase 4 – Validation and Reporting

We will begin this phase while fieldwork is still being conducted. The purpose of this phase is to:

- Provide bi-weekly status updates to the State regarding project status and preliminary observations
- Share preliminary observations with the State, and appropriate stakeholders through meetings or video conferencing
- Prepare and provide draft report
- Obtain written feedback from draft report
- Prepare final report
- Present final report to appropriate stakeholders

Outputs: Draft Report, Final Report, Final Report Presentation

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:	Tim Lyons, Partner
Office Phone #:	833.818.0406
Mobile Phone #	770.880.9854
Email:	tlyons@mjcpa.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:	Tim Lyons, Partner
Office Phone #:	833.818.0406
Mobile Phone #	770.880.9854
Email:	tlyons@mjcpa.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.

Appendix: Resumes

Executives

David Roberts
Partner
Mauldin & Jenkins, LLC
4208 Six Forks Road, Suite 1000
Raleigh, NC 27609

Office 833-818-0406

Direct 404-219-8506
droberts@mjcpa.com

Education
Bachelor of Science in Business Finance
University of Florida

What can I do for you?
David maintains more than 23 years of professional experience serving as a trusted advisor to state and local governments across the country and leads M&J's Government Advisory practice. David has led numerous internal audits focused on compliance, performance, and operational efficiency.

Prior to joining M&J, David was a lead government advisory partner with KPMG where he spent 20 years leading similar projects, and served as KPMG's southeast Health and Human Services domain lead. He has performed similar audits focusing on the financial management, operations, and reporting of state Medicaid funds. David has helped clients assess risk, compliance, and controls; evaluate performance; and transform operations into viable delivery models effectively balancing efficiency with risk and compliance.

David has provided a wide array of advisory services in his career. In the past three (3) years alone, David has performed and supervised approximately 70,000 hours of advisory services which are summarized by type of entity and respective services as follows:

Recent Client Engagement Experience:

Cities & Counties:	Respective Services Provided:
Austin, Texas & Charlotte County, Florida	Zero Based Budgeting Assessment Strategic Design Strategic Planning
Assistance, and Utilities	Dept. Assessments
DeKalb County, Georgia	Water / Sewer Utility Billing Assessment
Fort Lauderdale, Florida	Water / Sewer Utility Billing Assessment
New Orleans, Louisiana	Zero Based Budgeting Assessment
Riverside County, California	Finance Function Assessment
Savannah, Georgia	Water / Sewer Utility Billing Assessment
School Districts:	
Chicago Public Schools	Service Delivery Model Assessment
DeKalb County (GA) Schools	Human Resources Assessment
Federal and State Government Entities:	
District of Columbia	Workforce Innovation & Opportunity Act (WIOA)
Florida Department of Management Services	Quality Assurance / Independent Verification & Validation Over SAP Implementation
Florida Turnpike Enterprise	Project Management Office (PMO)
GA Department of Administrative Svcs	HR Function Market Scan
GA Department of Community Health	Finance Function Review

GA Dept of Economic Development	WIOA Grant Assistance
Georgia Department of Labor	Back-office Assessment & Project Mgmt Office Support
Georgia State Road & Tollway Authority	Agency Merger Assessment Cost Allocation Assistance Strategic Planning Assistance
Kentucky Transportation Cabinet	Revenue Control Manager
Puerto Rico Dept. of the Treasury	Finance PMO
Texas Department of Transportation	Back-office SAP Implementation Support
Virginia Department of Transportation	Workforce Strategy Assessment

Special Purpose Entities:

Atlanta Housing Authority	HR Assessment & Optimization
Eastern Band of Cherokee Indians	Grants Compliance Review Ethics Office Establishment
Florida Healthy Kids (NFP)	Vendor Selection Assistance
University of Texas at San Antonio	Payroll Assessment & Optimization

From management consulting and identifying new opportunities to increasing stakeholder satisfaction and implementing transformational strategies, David and our government advisory team deliver insights and techniques that help government clients leverage public resources efficiently while achieving overarching goals. Our government advisory practice brings to market a team that has direct experience as government employees, change agents, and transformation consultants to help tackle the industry's toughest issues.

David Roberts - Completed CPE from Jan 1, 2021 to Jan 1, 2023:

- Accounting for Governmental Assets and Liabilities
- 2021 Octane Conference
- 2021 Georgia Fiscal Management Council Annual Conference
- IT Cybersecurity & Effectiveness in Governments
- IT Cybersecurity & Effectiveness in Governments
- Advancing Advisory Lunch & Learn : EOS (Entrepreneurial Operating System)
- Governmental Budgeting Best Practices
- The Employee Experience
- 2022 Governmental Conference
- 2022 Governmental Conference
- 2022 Advisory Conference
- 2022 Advisory Conference
- Internet Crime, Cybersecurity and Privacy Update and their Impacts on ESG Reporting & The Three Ps for Successful Management
- Internet Crime, Cybersecurity and Privacy Update and their Impacts on ESG Reporting & The Three Ps for Successful Management
- Independence requirements for auditors
- Accounting Firm's System of Quality Control, Part 1
- 10 Habits of highly successful careers
- Accounting Firm's System of Quality Control, Part 2
- Managing a Virtual Team
- Accounting Alternatives for PPP Loans
- 2022 Professional Ethics Update

- Annual GASB Update
- A Guide Through Common Audit Deficiencies
- Common audit deficiencies: Governmental audits
- 2022 Yellow Book Update
- 2023 Yellow Book Update
- Getting Auditors In and Out Efficiently
- Enterprise Risk Management in the Federal Government: OMB Circular A-123
- Impact of New Auditor Reporting on Governments
- Materiality in Planning a Governmental Audit
- Risk Management in the Public Sector
- Adaptive and Transformative Leadership
- Diagnosing your organization
- Launching a Winning Team

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Education
Bachelor of Business Administration in Accounting
Georgia College & State University

What can I do for you?
Adam Fraley is a partner and a certified public accountant with Mauldin & Jenkins, LLC specializing in serving local and state governmental entities. He is the partner in charge for the Firm-wide governmental practice division of Mauldin & Jenkins and serves governmental clients throughout the Southeast. ***Adam is also the partner in charge of the Atlanta offices.*** Adam is a member of the Firm's Executive Committee, which governs the actions and direction of the Firm.

Adam currently serves on the firm's Advisory Committee as well as the firm's Assurance Committee, which leads the establishment of audit policies of the firm and answering technical questions for the firm's governmental partner group as well as other partners**.** He is also the Firm's Designated Audit Quality Partner (DAQP) for the AICPA's Government Audit Quality Center. He has served as Chairman on the Firm's Leadership and Career Development Committee, helping provide policy and procedural recommendations to establish and monitor a leadership, educational, and mentoring programs for the development of the Firm's human resources.

Recent Client Engagement Experience
Counties:
Forsyth County, Gates County, NC, Gwinnett County, Halifax County, NC, Lumpkin County, Madison County, NC, Morgan County, Orange County, NC, Paulding County, Walton County, Washington County, NC
Cities:
Alpharetta, Baldwin , Ball Ground, Bristol, TN, Brookhaven, Cartersville, Cedartown, Chattahoochee Hills, Decatur, Doraville, Douglasville, Duluth, Dunwoody ,Holly Springs, Johns Creek, Kennesaw, Lilburn, Milton, Monroe, Peachtree Corners, Powder Springs, Rockmart, Roswell, Sandy Springs, Social Circle, South Fulton, Stonecrest, Toccoa, Tucker, Villa Rica, New Bern, NC, Black Mountain, NC, Garner, NC, Selma, NC
Boards of Education: Bartow County Board of Education, Buford Board of Education, Carroll County Board of Education, Carrollton Board of Education, Cartersville Board of Education, Cobb County Board of Education, Douglas County Board of Education, Fannin County Board of Education, Floyd County Board of Education, Forsyth County Board of Education, Gwinnett County Board of Education, Murray County Board of Education, Union County Board of Education
Other Governmental Units:
Austell Natural Gas System, Bristol Public Library, Chatsworth Water Works Commission, Chattahoochee River 911 Authority, Cobb County-Marietta Water Authority, Forsyth County Public Library, Halifax Tourism Development Authority, Halifax-Northampton Regional Airport, Lumpkin County Water & Sewer Authority, Madison County Tourism Development Auth, North Fulton Regional Radio Authority, Paulding County Airport Auth, Paulding County Industrial Bldg Auth, Polk County Water Authority, Walton County Water & Sewer Authority

Adam Fraley - Completed CPE from Jan 1, 2021 to Jan 1, 2023:

- Compliance Supplement Addendum Webinar
- Achieving Excellence in Financial Reporting - Featuring Ask the Auditor
- 2021 Annual Required GAQC Webcast
- 2021 Octane Conference
- 2021 Governmental Conference
- 2021 Governmental Conference
- Annual Training Conference
- Understanding the Independence Implications of the New State and Local Government Affiliates Ethics Interpretation
- SAS 134 and Related Standards
- Live Stream: 2021 Governmental Accounting and Auditing Conference
- Advancing Advisory Lunch & Learn : EOS (Entrepreneurial Operating System)
- Coronavirus State & Local Fiscal Recovery Fund - The Final Rule is Here!
- 2022 Octane Conference
- 2022 Annual Required GAQC Webcast
- 2022 Governmental Conference
- 2022 Governmental Conference
- 2022 Governmental In-Charge Training
- Lunch & Learn: Six Planning Strategies & Considerations in the Current Market
- 2022 Advisors Conference
- Advancing Advisory Lunch & Learn : Specialty Tax
- Annual Governmental GAAP Update - 2022
- 2022 Advisory Conference
- 2022 Advisory Conference
- Lunch & Learn: 2022 Internal Inspection Findings and Suggestions
- Live Stream: 2022 Governmental Accounting and Auditing Conference

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Education
Bachelor's Degree in Political Science
University of Florida

Master's Degree in Public Administration with a certificate in Public Administration
University of Florida

Professional Associations

- Association of Government Accountants
- Florida Government Finance Officers Association
- Project Management Institute
- The Institute of Internal Auditors

What can I do for you?
David brings highly specialized experience helping local governments become more efficient and focused with everything from staffing analysis to program and infrastructure funding and accounting. From studies to identify costing optimization and revenue recovery to grant compliance and performance audits, David has helped local and state governments develop the processes and policies necessary for greater efficiency in both human and financial resources. As important, he assisted them develop performance measures to ensure that goals and projects are met. His experience supporting local governments uniquely qualifies him to facilitate community services including disaster recovery, neighborhood stabilization and revitalization and economic development. Frequently, these programs require extensive and specific auditing and compliance procedures—a highly specialized skill that David brings to his clients.

Professional Experience

- Over 25 years serving local and state governments, including 2 CFR 200
- Invited speaker for Florida League of Cities, Court Clerks and Finance Officer Associations.
- KPMG National Instructor for Cost Optimization, Government Costing (2 CFR 200), and Project Management.
- Assessed various organizations management processes, including people, processes, and technology.
- Analyzed various state and local governments and capital costs, internal management practices, external reporting, and interagency billing practices. Analysis included peer comparison and explored opportunities to improve the efficiency of operations.

Accomplishments

- David has led numerous management studies for state and local governments. These studies identified current service levels, the development of key performance indicators, and opportunities to adjust service levels to increase effectiveness.
- David assisted the State of Georgia, Governor's Office of Workforce Development (GOWD) in the transition of the Workforce Investment Act (WIA) grant management responsibilities from the Georgia Department of Labor (GDOL) to GOWD, Recommendation considered impact per 2 CFR 200.
- David previously served on a statewide project with the Florida Association of Court Clerks (FACC) to assess counties' compliance with Title IV-D (Child Support Enforcement) and 2 CFR 200. This project required onsite compliance assessments with all 67 county clerk offices throughout the State and coordination with the Florida Department of Revenue.
- Regional Engagement Director for over 40 performance audits of entities awarded grants from the U.S. Department of Energy (DOE) under the American Recovery and Reinvestment Act (2 CFR Part 225).

Representative Clients

Cities

1) Atlanta, Georgia
2) Boynton Beach, Florida
3) Dania Beach, Florida
4) Deerfield Beach, Florida
5) Fernandina Beach, Florida
6) Fort Lauderdale, Florida
7) Gainesville, Florida
8) Hollywood, Florida
9) Islamorada
10) Longboat Key
11) Marco Island
12) Margate, Florida
13) Medley, Florida
14) Miami, Florida
15) New York, New York
16) North Lauderdale, Florida
17) Orlando, Florida
18) Rocky Mount, NC
19) Sarasota, Florida
20) Scranton, Pennsylvania
21) St. Lucie, Florida
22) Tallahassee, Florida
23) Tamarac, Florida
24) Tampa, Florida
25) Titusville, Florida
26) West Palm Beach, Florida

Counties

27) Alamance County, NC
28) Charlotte County, Florida
29) Jefferson County, Florida
30) Miami-Dade County, Florida
31) Monroe County, Florida
32) Nassau County, Florida
33) Orange County, Florida
34) Palm Beach County. Florida
35) Sarasota County, Florida
36) Taylor County, Florida
37) Walton County, Florida

Boards of Education

38) Highlands Co. School District, FL
39) Nassau Co. School District. FL
40) Forsyth Co. BOE
41) Gwinnett Co. BOE
42) Henry Co. BOE

State/Higher Education/Special Purpose

43) North Carolina Department of Transportation
44) Central Florida Expressway Authority
45) Florida A&M University
46) Florida Agency for Health Care Administration
47) Florida Association of Court Clerks & Comptrollers
48) Florida Department of Economic Opportunity
49) Florida Department of Health
50) Florida Department of Military Affairs
51) Florida Department of Transportation
52) Florida Division of Emergency Management
53) Florida Government Utility Authority
54) Florida Polytechnic University
55) Florida's Turnpike Enterprise
56) Miami-Dade County Expressway Authority
57) South Florida Regional Transportation Authority
58) University of Central Florida

Audit Training

David started with M&J in May 2023. His first CPE reporting period has not occurred. He will be CPE compliant for the duration of the engagement. During his tenure with KPMG, he exceeded the CPE requirements for each reporting period during his tenure. Dave has served as an instructor at firm-sponsored CPE events, as well as FGFOA, League of Cities, Florida Clerks and Comptroller, and the Florida Association of Counties events at the state and local levels. Listed below are just some of the training courses Dave has attended since May 2023:

- 2023 M&J Governmental Conference – Participant and Instructor – 14 credit hours
- 2023 M&J XCM - Audit – 1 credit hour
- 2023 M&J Fixed Asset Software Training – 1 credit hour
- 2023 Thompson Reuters – Internal Controls for Auditors and Managers – 6 credit hours

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Education
Bachelor of Business Administration in Accounting (Magna Cum Laude)
Georgia Southwestern State

Masters of Business Administration, Accounting
Georgia Southern University

Speaker
Doug has been a speaker at M&J's quarterly CPE provided to our clients and several internal conferences.

What can I do for you?
Doug Moses is a Partner and a certified public accountant with Mauldin & Jenkins, LLC. He specializes in serving local and state governmental entities, and is a partner who works exclusively in the governmental sector of the Firm's audit practice. Doug has a very balanced base of clientele serving cities, counties, boards of education, charter schools, state government entities and special purpose governmental entities. He is registered in Georgia. Doug is a member of the Firm's Executive Committee, which governs the actions and direction of the Firm. Doug also heads up the Firm's Diversity and Inclusion Initiative Program and serves as a member of the Leadership and Career Development Committee, helping provide policy and procedural recommendations to establish and monitor a leadership, educational, and mentoring programs for the development of the Firm's human resources.

Years of Professional Experience and Years with Firm

Doug has over 20 years of experience with the Firm. Doug serves both large and small governmental units, and is involved in serving over 50 such governmental entities. Doug obtained his CPA certificate in 2001.

Professional and Civic Activities

Doug is a Certified Public Accountant and a member of the American Institute of Certified Public Accountants, Georgia Society of Certified Public Accountants, Government Finance Officers Association, the National Association of Black Accountants, the Georgia Government Finance Officers Association and the Association of Government Accountants.

Doug is also an active member of the Georgia Southwestern's GSW Foundation, Inc., and the alumni board of trustees for Georgia Southwestern State University where he is the past-president of the Alumni Board and past-chair of the GSW Foundation. He has spoken at several graduation commencements which included the December 2005 Graduation Commencement at Georgia Southwestern State University in which the former President Jimmy Carter and his wife attended (the former President personally commended Doug on his speech during a private luncheon held on campus). Doug also serves on the Educational Foundation of the Ga Society of CPAs where he serves as the Chair for the College Outreach Committee

List of Governmental Clients Served in the Last Three (3) Years

Counties:
Athens-Clarke County
Barrow County
Cherokee County
Colquitt County
DeKalb County
Douglas County
Jackson County
Jefferson County, AL
Floyd County
Mitchell County
Walton County
Gwinnett County
Henry County
Hamilton County, TN
Halifax County, NC
Orange County, NC

Cities:
Atlanta
Athens, Alabama
Alpharetta
Austell
Ball Ground
Baldwin
Chamblee
Clarkston
College Park
Cochran
Doraville
Decatur
Douglasville
Dunwoody
Duluth
Forest Park
Fairburn
Jefferson
LaGrange
Lawrenceville
Lilburn
Grantville
Riverdale
Whitesburg
Bristol Tennessee
Town of Braselton
Jamestown, Tennessee
Suwannee
Stonecrest
Hapeville
Oxford
South Fulton
Morrow
Powder Springs
Town of Selma, NC
Town of Garner, NC

State Entities:
Georgia Lottery Corporation
Georgia Environmental Finance Authority
State Road and Tollway Auth.
Georgia Student Finance Auth.

Other Governmental Units:
Austell Natural Gas System
Decide DeKalb Authority
Chattanooga Area Regional Council of Govt's
Cobb County-Marietta Water Authority
Riverdale Downtown Development Authority
Bristol Tennessee Joint Sewerage System
Town Center Area Community Improvement District
Evermore Community Improvement District
Lawrenceville Tourism & Trade Assoc
Cherokee County Airport Authority
Barrow County Water & Sewer Auth
Invest Atlanta (Atlanta Development Authority
McPherson Planning Local Redevelopment Auth.
McPherson Implementing Local Redevelopment Authority
Atlanta Beltline Inc.
Atlanta Housing Opportunity, Inc.
Urban Residential Finance Authority of Atlanta
Downtown Development Authority of Atlanta
Atlanta – Atlanta Station Tax Allocation District
Atlanta – Westside Tax Allocation District
Atlanta – Eastside Tax Allocation District
Atlanta – Princeton Lakes Tax Allocation District
Atlanta – Beltline Tax Allocation District
Atlanta – Perry Bolton Tax Allocation District
Electric Power Board of Chattanooga, Tennessee
Chattanooga Area Regional Council of Governments, Tennessee
City of Bristol Industrial Development Board Tennessee
Orange County Disabilities & Special Needs Board, South Carolina
Public Building Authority County of Knoxville, Tennessee
Hamilton County Water & Wastewater Treatment Authority
Bristol Public Library, Tennessee
Halifax-Northampton Regional Authority North Carolina
Halifax County Tourism Development Authority North Carolina

Halifax Airport Authority
North Carolina

Boards of Education (and Charter Schools):

Atlanta Independent Schools
Fulton County Schools
DeKalb County Schools
Atlanta Heights Charter School
Gwinnett County Schools
Buford Board of Education
Fulton County Schools Employees' Pension Plan
Cobb County Schools
Decatur City Schools
Marietta City Schools
Rome City Schools
Troup County Schools
Douglas County Schools
Forsyth County Schools
Jefferson Board of Education
Murray County BOE
Union County BOE
Habersham County BOE
Floyd County Board of Education
Cartersville Board of Education
Paulding County Schools
Gordon County Schools
Oconee County Schools
Walton County Schools
Board of Regents of the University
Georgia Online Academy Inc.
Brighten Academy
Cherokee Charter Academy
International Charter Academy
Brookhaven Innovation Academy
Atlanta Heights Charter School
Coweta Charter Academy
Southwest Georgia STEM Charter School
Georgia School for Innovation
East Point Academy of South Carolina

Audit Training

Doug has obtained and instructed a significant amount of continuing professional education including:

- 2022 M&J Free Client CPE Classes – Coronavirus State & Local Fiscal Recovery Fund – The Final Rule is Here! – Participant
- 2022 M&J Advancing Advisory Lunch & Learn- Entrepreneurial Operating System -
- 2022 M&J Annual Governmental Accounting & Auditing Conference, Virtual – Participant
- 2022 OCTANE Governmental Accounting Conference – Instructor and Participant
- 2021 Rainmaker Training – Participant
- 2021 GASB Update and GASB 87, Leases – Participant
- 2021 M&J Annual Governmental Accounting & Auditing Conference, Virtual - Participant
- 2021 OCTANE Governmental Accounting Conference – Instructor and Participant
- 2021 M&J Achieving Excellence in Financial Reporting – Ask the Auditor – Participant and Panelist
- 2021 Highlights of the 2020 Compliance Supplement, Webinar – Participant
- 2021 Provider Relief Fund Updated Reporting Requirements - Participant
- 2021 Coronavirus State & Local Fiscal Recovery Fund – What We Know Now - Participant
- 2020 GFOA Implementing the CARES Act Funding for State and Local Governments, Webinar – Participant
- 2020 GSCPA Paycheck Protection Program – SBA Loan Update, Webinar - Participant
- 2020 GSCPA Governmental Accounting & Auditing Conference, Webinar – Participant
- 2020 M&J GASB Hot Topics, P-Card Pitfalls and Human Capital, Webinar – Participant
- 2020 GFOA Uniform Chart of Accounts and CARES Funding Update, Webinar – Participant
- 2020 OCTANE Governmental Accounting Conference – Participant
- 2020 Mauldin & Jenkins Future Leaders Program (Rainmaker), Atlanta, Georgia
- 2020 M&J Annual Governmental Accounting & Auditing Conference, Virtual – Participant

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Education
Bachelor of Business Administration in Accounting and Finance
Mercer University

What can I do for you?
James is a partner with Mauldin & Jenkins. His experience with the firm covers a variety of state and local governmental organizations. He spends 100% of his time serving state and local governments all of which utilize the new reporting model. James works with local governments in Tennessee, Georgia, Alabama, and the Carolinas.

Years of Professional Experience and Years with the Firm

James has over eighteen (18) years of experience in public accounting, all with Mauldin & Jenkins, serving a wide range of clients in the public services industry.

Professional and Civic Activities

James is a Certified Public Accountant and a member of the American Institute of Certified Public Accountants, Tennessee Society of Certified Public Accountants, Georgia Society of Certified Public Accountants, North Carolina Association of Certified Public Accountants, the Government Finance Officers Association, the North Carolina Government Finance Officers Association, the Tennessee Government Finance Officers Association and the Georgia Government Finance Officers Association.

List of Governmental Clients Served in the Last Three (3) Years

Counties:
Douglas County, GA
Floyd County, GA
Forsyth County, GA
Gates County, NC
Halifax County, NC
Hamilton County, TN
Jefferson County, AL
Lumpkin County, GA
Madison County, NC
Montgomery County, NC
Orange County, NC
Paulding County, GA
Walton County, GA
Washington County, NC

Cities:
Atlanta, Ga
Alpharetta, GA
Asheville, NC
Ball Ground, GA
Black Mountain, NC
Bristol, TN
Brookhaven, GA
Clarksville, TN
Cedartown, GA
Chattahoochee Hills, GA
Decatur, GA
Doraville, GA
Douglasville, GA
Garner, NC
Huntsville, AL
Jackson, TN
Jamestown, TN
Jefferson, GA
Kennesaw, GA
Lawrenceville, GA
Milton, GA
New Bern, NC
Powder Springs, GA
Roswell, GA
Sandy Springs, GA
Social Circle, GA
South Fulton, GA
Spring Hill, TN
Suwanee, GA
Villa Rica, GA
Selma, NC
Spring Hill, TN
Tuscaloosa, AL
Wilkesboro, NC

School Systems:
Atlanta Heights Charter Academy
ATL Independent Public School Syst
Brookhaven Innovation Academy
Buford City Schools
Carrollton City Schools
Cartersville Board of Education
Cherokee County Charter Academy

Cobb County Board of Education
Coweta Charter Academy
Fannin County Board of Education
Forsyth County Board of Education
Georgia Online Charter Academy
Georgia School for Innovation and the Classics
Gordon County School District
International Charter School of Georgia
Marietta City Schools
Pataula Charter Academy
Pauling County School District
Scintilla Charter Academy
Southwest Georgia STEM Charter School
Troup County BOE
Walton County BOE

Other Governmental Entities:

Bristol Industrial Development Board
Bristol Joint Sewerage System, TN
Bristol Tennessee Essential Services
CDE Lightband, TN
Chatsworth Water Works Commission
Chattahoochee River 911 Authority
Chattanooga Area Council of Governments
Chattanooga Area Reg. Trans. Authority
Cherokee County Airport Authority
Clarksville Gas & Water Department
Decide DeKalb
Electric Power Board of Chattanooga
Halifax County Tourism Development Authority, NC
Halifax-Northampton Regional Airport Authority, NC
Hamilton County Waste Water Authority
North Fulton Regional Radio System Authority
Orangeburg Disabilities Board
Public Building Authority of Knox Co., TN
South Fulton Municipal Regional Water Auth.
Troup County College & Career Academy, Inc.
Walton County Water & Sewer Authority

Audit Training

- 2022 ACFR Preparation, Virtual – Instructor
- 2022 Annual Comprehensive Financial Report Preparation – Instructor for University of GA
- 2022 Tennessee Government Auditor Training Seminar
- 2022 Chattanooga Society CPA monthly meetings
- 2022 Tennessee GFOA Conference , Murfreesboro
- 2022 Alabama GFOA Summer Conference
- 2022 Georgia GFOA Annual Conference - Instructor
- 2022 Coronavirus State & Local Fiscal Recovery Fund – Virtual
- 2021 Mauldin & Jenkins Annual Government Conference, Virtual – Instructor
- 2021 Rainmaker Leadership Training – Virtual
- 2021 Tennessee GFOA Conference
- 2021 GFOA Comprehensive Annual Financial Report Preparation - Virtual
- 2020 3rd Quarter Client CPE – Virtual, Instructor
- 2020 Georgia GFOA Conference – Virtual, Instructor
- 2020 Tennessee GFOA Conference – Virtual
- 2020 Mauldin & Jenkins Annual Government Conference, Virtual – Instructor
- 2020 Suralink Training, Virtual – Instructor
- 2020 CAFR Preparation, Virtual – Instructor
- 2020 GASB Hot Topics – Chattanooga, TN, Instructor

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Education
Bachelor of Business Administration
University of Tennessee at Chattanooga

Certifications
CPA, CISA, CISSP, CCSFP, CHQP

What can I do for you?
Jameson Miller is a partner and has been with Mauldin & Jenkins. For over 15 years, Jameson has provided information technology consulting and attest services to public and private entities throughout the Southeast. Jameson's experience includes audits of general controls, application controls, and cybersecurity risk management programs.

Jameson has extensive experience with Sarbanes Oxley, SSAE18 System and Organization Controls (SOC) Audits, National Automated Clearinghouse Association (NACHA) Operating Rules and Guidelines, and Gramm-Leach-Bliley Act (GLBA) compliance programs. His technical expertise includes performing vulnerability assessments and penetration testing of information systems using both technical and social engineering techniques. Further, Jameson:

- Maintains current and relevant information technology and financial accounting continuing professional education credits (CPE);
- Holds the American Institute of Certified Public Accountants' (AICPA) "Cybersecurity Advisory Services" and "Blockchain for Accounting and Finance" Certificates;
- Served as a Cybersecurity panelist and speaker at the 2020 Octane Conference and GGFOA's 2019 Annual Conference;
- Presented a firm sponsored 8 hours session entitled, "All Things IT – Are You Protected?"; and,
- Has spoken at other various conferences on topics, including:
    - Managing Cybersecurity Risk Through an Effective Vendor Management Program;
    - Technologies Transforming Accounting; and,
    - Data Analytics: Balancing the Good and the Ugly

Jameson is a member of the AICPA, the Tennessee Society of Certified Public Accountants, ISACA, and ISC2. Jameson is a licensed Certified Public Accountant with the State of Tennessee, a Certified Information Systems Auditor (CISA) through ISACA, a Certified Information Systems Security Professional (CISSP) through ISC2, a Certified Cybersecurity Framework Practitioner (CCSFP) and Certified HITRUST Quality Professional (CHQP) through the HITRUST Alliance.

Considering the fact that Jameson only provides non-traditional consulting-type services to governmental entities, and he does not (and will not) provide audit and accounting services under the guidance of the Yellow Book educational standards, no such continuing education is required or provided under this proposal to provide services.

Tim Lyons
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Education
Bachelor of Arts in Accounting
Furman University

Masters of Science in Accountancy
College of Charleston

What can I do for you?
Tim Lyons is a partner and a certified public accountant with Mauldin & Jenkins, LLC, specializing in serving local and state governmental entities. He is registered and licensed to practice in the State of North Carolina. ***Tim is also the partner-in-charge of our Columbia, South Carolina Office.*** He specializes in governmental entities.

Tim has more than ten years of experience in public accounting – a year and a half with a firm based out of Charleston, South Carolina and over nine years with Mauldin & Jenkins serving a wide variety of clients in the public services industry. The following is a summary of governmental clients served by Tim in the capacity of partner. **Recent Client Engagement Experience:**

Counties
DeKalb City, Ga., Douglas City, Ga., Floyd City, Ga., Forsyth City, Ga., Gates City, NC., Lumpkin City, Ga., Orange City, NC., Walton City, Ga., Washington City, NC

Cities
Alpharetta, Ga., Asheville, NC, Ballground, Ga., Bristol, TN, Brookhaven, Ga., Cartersville, Ga., Cedartown, Ga., Chattahoochee Hills, Ga., College Park, Ga., Decatur, Ga., Douglasville, Ga., Forest Park, Ga., Griffin, Ga., Kennesaw, Ga., Johns Creek, Ga., Monroe, Ga., Milton, Ga., New Bern, NC., Rockmart, Ga., Rome, Ga., Sandy Springs, Ga., Selma, NC, Social Circle, Ga.

Educational Entities
Atlanta Public Schools, Atlanta Heights Charter School, Brookhaven Innovation Academy, Buford City Schools, Carrollton City Schools, Cherokee Charter Academy, Coker College, Coweta Academy at Senoia, Decatur City Schools, Douglas City Board of Education, East Point Academy, Florence School District 1, Francis Marion University, Forsyth City Schools, Fulton City Board of Education, Georgia School for Innovation and the Classics, Graduation Achievement Charter School, Ivy Preparatory at Gwinnett, Marietta City Schools, Marlboro City School District, Montessori School of Camden, Morris College, Pataula Charter Academy, Richland City School District 1, Scintilla Charter Academy, Sumter City School District, USC School of Medicine Educational Trust

Other Governmental Entities
Austell Natural Gas System, Central Midlands Regional Council of Governments, Chatsworth Water Works Commission, Cobb City-Marietta Water Authority, Cobb City-Marietta Water Authority Ret. Plan, Disabilities Board of Charleston City, Dorchester City Board of Disabilities and Special Needs, Fulton City School Employees' Pension Fund, Invest Atlanta, Santee-Lynches Regional Council of Governments, South Carolina Centers for Economic Excellence, South Carolina Department of Transportation, South Carolina Transportation Infrastructure Bank

Tim Lyons - Completed CPE from Jan 1, 2021 to Jan 1, 2023:

- Compliance Supplement Addendum Webinar
- Future Leaders Program – Level 3, Session 1
- GASB Update and GASB 87, Leases
- GASB Update and GASB 87, Leases
- 2021 Octane Conference
- E05 - Fiduciary Activities and Component Unit Refresher
- Coronavirus State & Local Fiscal Recovery Fund - What We Know Now
- Future Leaders Program Level 3 - Session 2
- 2021 Governmental Conference
- 2021 Governmental Conference
- Financial Reporting Deficiencies (LIVESTREAM)
- Understanding the Independence Implications of the New State and Local Government Affiliates Ethics Interpretation
- A Culture of Regulatory Ethics: Make a Competitive Advantage
- South Carolina Ethics, Rules and Regulations
- Accounting for Debt in a Government
- Future Leaders Program Level 3 - Session 3
- GASB Update 2022
- GASB Update 2022
- GASB Update
- 2022 Governmental Conference
- 2022 Governmental Conference
- 2022 LEAP Conference
- Internet Crime, Cybersecurity and Privacy Update and their Impacts on ESG Reporting & The Three Ps for Successful Management
- Productive Conflict at Work
- Lunch & Learn: 2022 Internal Inspection Findings and Suggestions
- The 4.5 Billion Dollar Bitcoin Heist
- Regulatory Ethics - CPA Practice Act Changes

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Education
Bachelor of Arts in Business Administration
Austin College

Master of Public Accounting
University of West Georgia

What can I do for you?
Trey Scott is a director and a certified public accountant with Mauldin & Jenkins specializing in serving local and state governmental entities. Trey's experience with the firm covers a variety of state and local governmental organizations in Georgia, South Carolina and Florida.

Trey spends 100% of his time serving local governments emphasizing cities, counties, school districts, business-type entities and state government entities, and special purpose entities and authorities**.**

Years of Professional Experience and Years with Firm
Trey over 15 years of experience in public accounting, all with Mauldin & Jenkins serving a wide range of governmental clients. Trey has specific experience with client computer systems (most commonly Tyler Munis and BS&A, among others). He is also thoroughly versed in Federal and State grant programs.

List of Audits Performed for Governments in the Last Three Years
Trey serves both large and small governmental units, and is involved in serving over 35 such governmental entities. The following is a current summary of governmental clients served by Trey:

Cities:
Aiken, South Carolina
Cooper City, Florida
Covington
Conyers
Crystal River, Florida
Fayetteville
Griffin
Hallandale Beach, Florida
Hinesville
Morrow
Peachtree City
Pensacola, Florida
Savannah
St. Mary's
Village of Pinecrest, Florida
Union City

Counties:
Colleton County, South Carolina
Augusta-Richmond County
Oconee County, South Carolina
Peach County
Rockdale County
Stephens County
Toombs County

Other Governmental Units:
Pensacola Airport
Augusta Airport
Charleston Airport
Clayton County Water Authority
Newton County Water Authority
Peachtree City Convention & Visitors Bureau
Peachtree City Development Authority
Peachtree City Water and Sewer Authority
Henry County Water and Sewerage Authority
Central Midlands Regional Transit Authority
Lowcountry Regional Transportation Authority
Hardee County, FL Industrial Development Authority
Ocean Highway and Port Authority
Tampa Bay Water

State Agencies:
Georgia Building Authority
Georgia State Road and Tollway Authority
Georgia Ports Authority
Georgia Student Finance Authority
South Florida Regional Transportation Authority

Audit Training

Trey has obtained a significant amount of continuing professional education over the last three years including:

- 2022 M&J Governmental Conference – Various topics – Instructor and Participant
- 2022 Octane Conference – Team Performance – Instructor
- 2021 FGFOA School of Governmental Finance – Presenting your Financial Report Card to Nonfinancial People - Instructor
- 2021 GFOASC – Governmental Financial Report Card – Instructor
- 2021 Georgia Fiscal Management Council Conference – GASB Update - Instructor
- 2021 South Carolina Association of Public Accountants – Evaluating Gov Financial Stmts –Instructor
- 2021 Governmental Client CPE – Various topics - Instructor
- 2021 M&J Governmental In-charge Training – Various - Instructor
- 2021 M&J Governmental Conference – Various – Participant / Instructor
- 2021 Octane Conference – Your Govts Financial Report Card – Instructor
- 2021 Carl Vinson Institute of Local Government ACFR class – Instructor
- 2020 GSCPA Governmental A&A Conference – Yellow Book and GASB Update – Instructor
- 2020 Annual GASBO Conference – GASB Update and GASB Upcoming Projects – Instructor
- 2020 GGFOA Conference – Financial Report Card: Where Does Your Govt Stand? – Instructor
- 2020 M&J Governmental In-charge Training – Various - Instructor
- 2020 M&J Governmental Conference – Various – Participant
- 2020 Octane Conference – GASB Update - Instructor

Professional and Civic Activities

Trey is a Certified Public Accountant and a member of the American Institute of Certified Public Accountants, Florida Institute of Certified Public Accountants, Georgia Society of Certified Public Accountants, the Government Finance Officers Association, the Florida Government Finance Officers Association, and the Georgia Government Finance Officers Association.

Supervisors

Kate Russell
Director
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Raleigh, NC 27609

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krussell@mjcpa.com

Education
Bachelor of Arts
University of Georgia

Masters of Public Administration
University of Georgia

What can I do for you?
Kate Russell has over ten years of experience as a Director in Georgia state government. She has proven experience in grants (2 CFR 200) and project management, budget development and analysis, federal financial reporting, federal financial and compliance monitoring, policy development, and sub-awardee financial training.

Experience

- Managed the annual administration of over $90M in federal funds, including contract and grant management, policy development, federal financial reporting, and sub-awardee performance compliance reviews in compliance with 2 CFR 200.
- Coordinated 2 transitions of staff and Federal funds between Georgia state agencies. Included data compilation and analysis, management of transition team meetings and communications, and tracking of transition milestones and activities in compliance with 2 CFR 200.
- Led operational and financial strategic planning process for Explore Georgia, Georgia's state tourism organization. Provided project management for organizational transition and restructuring, including development of operating policies and procedures, managing timeline for transition activities, coordinating administrative changes, and development of interim operating policies and position-level continuity of operations plans.
- Reorganized Explore Georgia's budget to align with the strategic plan. Utilized budget forecasting for Explore Georgia's new strategic plan to develop budget priorities, performance priorities, and KPIs.
- Developed policies, procedures, and monitoring tools for Federal program compliance, including development of subrecipient continuing training. Trained and supervised staff for monitoring administration.
- Chaired the Georgia State Workforce Development Board's Financial Transition Committee. Coordinated development and release of guidance, proactive communications, and transition updates for the introduction of Uniform Administrative Guidance (2 CFR 200) and USDOL's Workforce Innovation and Opportunity Act.
- Designed and led local, state, and regional training sessions on federal financial and compliance monitoring requirements and best practices in compliance with 2 CFR 200.

LeeAnn Bagasala
Director
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lbagasala@mjcpa.com

Education
Bachelor of Science in Accounting
East Carolina University

Master of Science in Accountancy
East Carolina University

What can I do for you?
LeAnn is a director and a certified public accountant with Mauldin & Jenkins, LLC specializing in serving local and state governmental entities. LeAnn joined the Mauldin & Jenkins in February 2022 with a significant amount of experience serving governments in North Carolina with two other large CPA firms.

With 11 years of progressive experience in public accounting, including time at a Big 4 firm, LeAnn provides comprehensive assurance and accounting services to a variety of governmental entities with a particular focus on counties and municipalities in North Carolina. LeAnn is a leader in her field, having presented seminars on a variety of topics. She has also been selected to lead instructional trainings both internally and externally.

Years of Professional Experience and Years with Firm

LeAnn has over eleven years of experience in public accounting and just joined Mauldin & Jenkins in February 2022. LeAnn holds active CPA licenses in both North Carolina and Virginia.

LeAnn has significant experience providing services governmental entities in North Carolina prior to joining Mauldin & Jenkins:

Counties:
Cumberland County, NC
Durham County, NC
Forsyth County, NC
Greene County, NC
Guilford County, NC
Moore County, NC
Onslow County, NC
Person County, NC
Randolph County, NC
Rockingham County, NC
Wake County, NC
Aiken County, SC
Calhoun County, SC
Greenville County, SC
Fairfield County, SC
Richland County, SC
Roanoke County, VA

Municipalities:
Angier, NC
Fuquay-Varina, NC
Harrisburg, NC
Jacksonville, NC
Morganton, NC
Morrisville, NC
Raleigh, NC
Reidsville, NC
Salisbury, NC
Wake Forest, NC
Warrenton, NC
Cayce, SC
Chapin, SC
Clemson, SC
North Augusta, SC
Norfolk, VA
Selma, VA

Higher Education:
Francis Marion University
Coker University
Central Carolina Technical College

School Systems:
Richland County (SC)
Sumter County (SC) School District
Florence County (SC) School District One
Orangeburg County (SC) School District

Other Governmental Units:
Santee-Lynches Regional Council of Governments
Santee-Lynches Regional Development Corporation
Greenville (SC) Water System
Charleston (SC) Water System
Greenwood Commissioners of Public Works
Greer Commissioners of Public Works

Allison Hightower
Sr. Manager
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ahightower@mjcpa.com

Education
Masters of Accountancy
Middle Tennessee State University

Allison is a member of the American Institute of Certified Public Accountants (AICPA) and the Tennessee Society of CPAs (TSCPA).

Holly Springs, NC School District One

What can I do for you?

Allison Hightower is a Senior Manager and a certified public accountant with Mauldin & Jenkins. Her experience covers a variety of financial institutions, state and local governmental organizations, non-profit organizations, and other public and private entities. Allison emphasizes on providing quality client services, open communication, and being deadline oriented to meet client's needs.

Years of Professional Experience and Years with Firm

Allison has 9 years of experience in public accounting, all with Mauldin & Jenkins, serving a wide range of clients. Allison obtained her CPA certificate in 2016. Allison has served clients in the accounting & financial services, financial audits, and risk assessment & audit plan development service areas.

Counties:
Floyd County, GA
Hamilton County, TN
Whitfield County, GA

Municipalities:
Bristol, TN
Clarksville, TN
Huntsville, TN
Jackson, TN
Spring Hill, TN
Morristown, TN
Lebanon, TN

Other Governmental Units:
Bristol Industrial Development Board
Bristol Joint Sewerage System
Gladeville Utility District
Bledsoe County Nursing Home
Jackson Transit Authority
Chattanooga Area Regional Transportation Authority
Chattanooga Area

Regional Council of Governments
Boards of Education & Schools Systems:
Floyd County Board of Education
Hamilton County Schools

Brian Groome
Manager
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bgroome@mjcpa.com

Education
Bachelor of Science degree in Environmental Management
Indiana University

Master of Business Administration with a concentration in Finance and Economics
Indiana University

What can I do for you?
Brian Groome is a Manager with Mauldin & Jenkins, LLC who is part of the Government Advisory Practice.
Years of Professional Experience and Years with Firm

Brian joined Mauldin & Jenkins, LLC in January 2023. Prior to joining Mauldin & Jenkins LLC, he had gained ten years of experience working as a budget and policy analyst in state legislature, where he coordinated with many state agencies to produce fiscally responsible, effective, and efficient annual agency budgets while also managing multiple standing legislative committees. His budgeting experience includes making significant reductions following the great recession and the onset of the COVID-19 pandemic as well as prioritizing the expansion of programs during years of record-setting revenue growth. During his time with the legislature, Brian gained experience analyzing and implementing zero-based budgeting reports.

Brian also has five years of professional environmental experience, working two years in environmental consulting and three years as an Environmental Professional at the Subaru of Indiana Automotive, Inc. ("SIA") assembly plant, which was the first automotive assembly plant in the U.S. to reach zero-landfill status. During his time at SIA, he gained significant experience ensuring waste products were properly and efficiently collected to provide the greatest value at the time of recycling.

Brian has served clients in the following service areas:

- Operational/performance audit
- Investigative audit
- Compliance audit
- Managerial advisory services

Brian has experience documenting the current state of operations of organizations, developing standard operating procedures, and identifying areas for improvement to increase the efficiency of organizations. Brian has served the clients:

State Agencies:
South Carolina State Fiscal Accountability Authority
Georgia Department of Behavioral Health and Developmental Disabilities

Counties:
Clayton County, GA
Jefferson County, AL

Other Governmental Units:
Stone Mountain Memorial Association, GA
Florence-Darlington Technical College, SC

Graham Sweeney
Sr. Associate

What can I do for you?
Graham Sweeney is a Senior Associate with Mauldin & Jenkins and part of the

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Education
Bachelor of Science in Internal Affairs and Modern Language
Georgia Tech

Government Advisory Practice.

Years of Professional Experience and Years with Firm

Prior to joining M&J, Graham served in state government for a decade in roles responsible for project management and service delivery, procurement, operations, and continuous improvement. Since joining the Government Advisory Practice in 2021, Graham has served clients in the following service areas:

- Operational/Performance Audits
- Investigative Audits
- Compliance Audits
- Information Systems Audits
- Pay Equity Studies
- Project Management Offices
- Data Analytics/Continuous Monitoring
- Financial Assessments
- Outsourcing Feasibility Studies
- Risk Assessments

Graham has assisted clients throughout the Southeast with financial analysis, process improvement, customer service models, and strategic planning. Graham has extensive experience helping governments achieve compliance with regulatory statutes, improve workflows and communication, and understand the project management process from initiation through execution to post-completion analysis.

Counties:
Alachua County, FL
Clayton County, GA
Gwinnett County, GA
Hernando County, FL
Union County, FL
Walton County, GA

Municipalities:
Atlanta, GA
Forest Park, GA
Rocky Mount, NC

Other Governmental Units:
Decide DeKalb Development Authority, GA
Georgia Technology Authority, GA
Florence-Darlington Technical College, SC
Metropolitan Atlanta Rapid Transit Authority, GA
Mount Pleasant Waterworks, SC
Office of Program Policy Analysis and Government Accountability, FL
Richland Library, SC
State Fiscal Accountability Authority, SC
Stone Mountain Memorial Association, GA

Boards of Education & School Systems:
Berkeley County School District, SC
Charleston County School District, SC
Richland County School District One, SC
Troup County School System, GA

Will Derzis
Manager
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4208 Six Forks Road, Suite 1000
Raleigh, NC 27609

What can I do for you?

Mr. Will Derzis is a manager and a certified public accountant with Mauldin & Jenkins specializing in serving local and state governmental entities.

Will spends 100% of his time serving state and local governments in Georgia and the Carolinas, and he works exclusively in the governmental sector of the Firm's

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Education
Bachelor of Business Administration, Accounting
University of Alabama

Master of Accountancy
University of Alabama

audit practice.

Will has served a variety of clients including school districts and other educational institutions, cities, counties, and other types of governmental entities.

Years of Professional Experience and Years with the Firm

Will has over seven (7) years of experience in public accounting, all with Mauldin & Jenkins, serving a wide range of governmental clients.

Counties:
Gates County, NC
Halifax County, NC
Lumpkin County
Orange County, NC
Madison County, NC
Morgan County
Walton County
Meriwether County

Charter Schools:
Atlanta Heights Charter School
Brookhaven Innovation Academy
Scintilla Charter Academy
Southwest Georgia STEM Charter School

Cities:
Brookhaven
Doraville
Jefferson
Kennesaw
Milton
Monroe
New Bern, NC
Peachtree Corners
Powder Springs
Rockmart
Rome
Roswell
Social Circle
Selma, NC
Stonecrest
Tucker
LaGrange
Duluth
Cartersville

School Systems:
Bartow County School District
Carrollton City Schools
Douglas County School District
Murray County School District
Forsyth County School District
Rome City Schools
Cartersville City Schools

Other Governmental Entities:
Chatsworth Water Works Commission
Cobb County-Marietta Water Authority
Polk County Water Authority
Decide DeKalb
Georgia Lottery

Jake Connor
Manager
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jconner@mjcpa.com

Education
Bachelor of Science, Accounting
University of North Carolina at Wilmington

Master of Accountancy
University of North Carolina at Wilmington

Licensed CPA in the state of North Carolina

What can I do for you?
Jake Connor is a Manager with Mauldin & Jenkins, LLC who is part of the NC Government Audit Practice. He has served multiple clients throughout North Carolina and the Southeast.

Years and Type of Experience
Jake joined M&J after gaining several years of experience in IT Advisory, Data Analytics, and Industry Accounting (Construction-focus) and has since continued to gain experience in multiple service areas and has served many clients.
Jake has served clients in the following service areas:

- Compliance audit – 1 year
- Information systems audit – 2 years
- Data analytics/continuous monitoring – 4 years
- Risk assessment and audit plan development – 2 years
- Financial audit – 1 year
- Accounting & financial services – 3 years

Jake has experience performing financial, compliance, and information system audits for a wide array of clients, including risk assessment and audit plan development. Jake also has experience performing data analytics both from an audit perspective, including verifying account balances, transactions, and completeness, as well as continuous monitoring from a client perspective, including developing a mapping database creating seamless cost-tracking between different departments and developing various benchmarking analytics for upper management. Additionally, Jake previously worked in an accounting role in industry, so he has first-hand understanding of accounting and business process changes, as well as their secondary effects and adoption challenges.

The following is a summary of public sector clients served by Jake:

- Wake County, NC
- Greene County, NC
- Moore County, NC
- Columbus County, NC
- Orange County, NC
- Town of Selma, NC
- City of Jacksonville, NC
- Onslow Water and Sewer Authority
- Cape Fear Public Utility Authority

Staff

Coleman Loftin
Associate
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cloftin@mjcpa.com

Education
Bachelor of Arts, Political Science
University of Georgia

What can I do for you?
Coleman Loftin is an Associate with Mauldin & Jenkins, LLC who is part of the Government Advisory Practice. He has served multiple clients throughout the Southeast.

Years of Professional Experience and Years with Firm

Coleman joined M&J after graduating from the University of Georgia and has since gained experience in multiple service areas and has served many clients. Coleman has served clients in the following service areas:

- Operational/Performance Audits
- Organizational Design
- Change Management
- Data Analytics
- Financial Assessment

Coleman has experience documenting the current state of operations of organizations, developing standard operating procedures, process mapping, and identifying areas for improvement to increase efficiency of organizations. Coleman also has experience working on investigative projects examining client processes, procedures, and situational history after instances of fraud in order to provide observations and recommendations. Additionally, Coleman has performed data analysis throughout many of his projects to identify outliers and trends in data to aid in identifying inconsistencies in data reporting, in addition to areas for improvement and recommendations.

- Alachua County, FL
- Georgia Lottery Corporation
- Georgia Technology Authority
- Gwinnett County, GA
- Hernando County, FL
- Lumpkin County, GA
- Stone Mountain Memorial Association
- The Florida Bar Association
- Union County, FL
- Walton County, FL

Haley Kasnic
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Education
Bachelor of Arts, Political Science
University of Georgia

Masters in Public Administration, Policy
University of Georgia

What can I do for you?
Haley Kasnic is an Associate with Mauldin & Jenkins, LLC who is part of the Government Advisory Practice. She has served multiple clients throughout the Southeast.

Years of Professional Experience and Years with Firm

Haley joined M&J after graduating from the University of Georgia and has since gained experience in multiple service areas and has served many clients.
Haley has served clients in the following service areas:

- Operational/Performance Audits
- Pay Equity Study
- Project Management Office
- Data Analytics
- Financial Assessment

Haley has experience documenting the current state of operations of organizations, developing standard operating procedures, process mapping, and identifying areas for improvement to increase efficiency of organizations. Haley also has experience examining vendors to ensure conformance with state and district procurement code. Additionally, Haley has performed data analysis throughout many of her projects to identify outliers and trends in data to aid in identifying inconsistencies in data reporting, in addition to areas for improvement and recommendations.

Counties:

- Clayton County, GA
- Gwinnett County, GA
- Walton County, FL

Other Governmental Units:

- The Fulton-DeKalb Hospital Authority
- Stone Mountain Memorial Association

Boards of Education & Schools Systems:

- Troup County Schools, GA
- Charleston County School District, SC

John Carolin
Associate
Mauldin & Jenkins, LLC
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Office 833-818-0406

jcarolin@mjcpa.com

Education
Bachelor of Arts in Economics and a minor in Statistics
University of Georgia

What can I do for you?
John V. Carolin is an Associate I with Mauldin & Jenkins, LLC who is part of the Government Advisory Practice. He has served multiple clients throughout the Southeast.

Years of Professional Experience and Years with Firm

John joined M&J in January 2023 and has since gained experience in multiple service areas and has served many clients.
John has served clients in the following service areas:

- Operational/Performance Audits
- Pay Equity Study
- Data Analytics
- Financial Assessment
- Compliance Audit
- Managerial Advisory Services

John is a skilled data analyst and is proficient with a wide range of tools and methodologies used to derive useful insights from complex sources of data, including financial records, geographic data, time-series data, and irregularly structured data. John also has experience with process mapping and investigating organizational operations and uses this understanding, in combination with insights derived from his analysis of performance data, to identify potential improvements to organizational processes and procedures. Additionally, John makes use of his statistical and investigative background to thoroughly evaluate organizational compliance with a variety of federal, state, and local requirements.

Counties:

- Clayton County, GA
- Gwinnett County, GA
- Walton County, FL

Other Governmental Units:

- The Fulton-DeKalb Hospital Authority
- Stone Mountain Memorial Association

Boards of Education & Schools Systems:

- Troup County Schools, GA
- Charleston County School District, SC

William Purdue
Associate
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Education
Bachelor of Science in Accounting
University of Central Florida

What can I do for you?
William Perdue is an Associate with Mauldin & Jenkins, LLC who is part of the Government Audit Practice. He is a CPA licensed in the State of Florida and has served multiple clients throughout the Southeast. William joined M&J after working for two other accounting firms from 2018 to 2022 and has since gained experience in multiple service areas and has served many clients.
William has served clients in the following service areas:

- Financial Audits
- Compliance Audits

List of Public Sector Clients Served
The following is a summary of public sector clients served by William in the capacity of Senior Associate-level.

Counties:

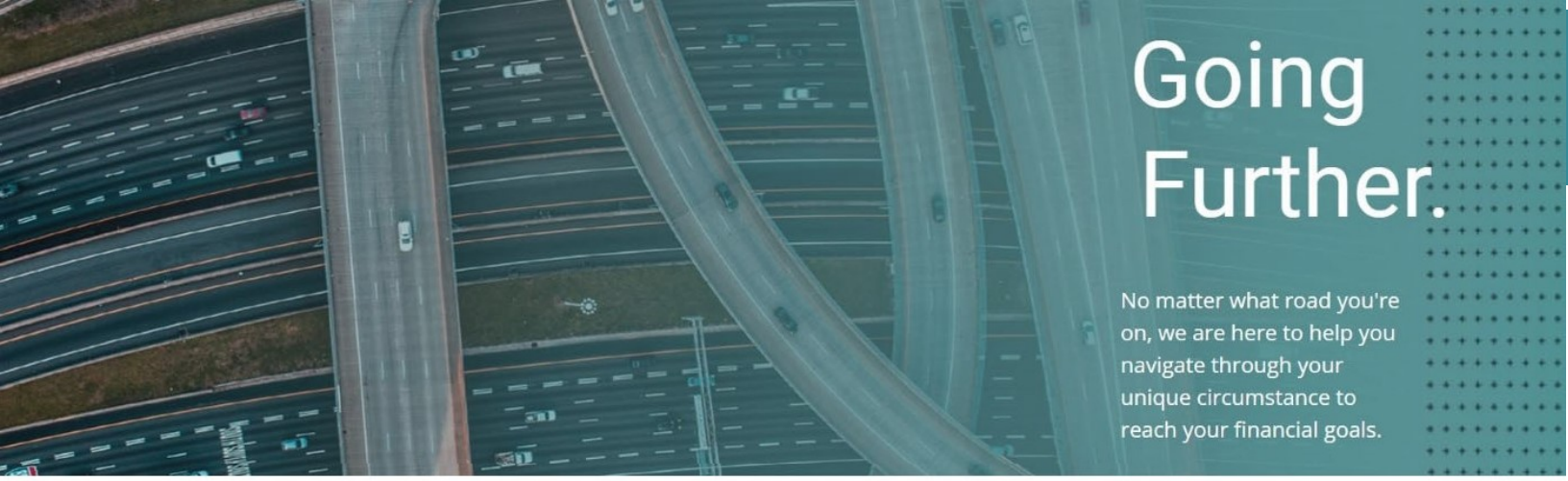
- Madison County, North Carolina
- Paulding County, Georgia
- City of Dunwoody, Georgia
- City of Kennesaw, Georgia

Other Governmental Units:

- Georgia State Financing and Investment Commission

Boards of Education & School Systems:

- Fulton County Board of Education, Georgia
- Floyd County Board of Education, Georgia



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Continued advancements, opportunities & solutions to drive us into the **future**

INSPIRATION.

A **culture** guided by our vision of service and community

MAULDIN & JENKINS

www.mjcpa.com

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.

ATTACHMENT D: HUB Supplemental Vendor Information

Solicitation #: DPC-646236801-MT

Vendor Name: Mauldin & Jenkins, 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

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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ATTACHMENT E: CUSTOMER REFERENCE TEMPLATE

Solicitation #: DPC-646236801-MT

Vendor Name: Mauldin & Jenkins, LLC

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

Name of Customer Organization:	City of Rocky Mount, NC: Internal Audit and Consulting Services
Customer Reference Name:	Mr. Abdul Baloch, Chief Internal Auditor
Customer Reference Address:	331 S Franklin St, Rocky Mount, NC 27804
Customer Reference Email:	abdul.baloch@rockymountnc.gov
Start Date:	February 2022
End Date:	June 2022
Explanation of contract, service agreement, or type of products and quantity provided to the organization:	Performed a functional process audit across a variety of departments, assessing risks and interdependencies. We reviewed corrective actions implemented after an investigative/state report to ensure correct implementation and that the corrective actions mitigated the identified risks. The audit resulted in 32 observations and associated recommendations for the improvement of critical financial functions, such as billing, cashiering, and collections

Name of Customer Organization:	Gwinnett County, GA; Operational Performance Assessment
Customer Reference Name:	Malorie Truss, Project Supervisor
Customer Reference Address:	75 Langley Drive, Lawrenceville, GA 30046
Customer Reference Email:	Mallorie.Truss@gwinnettcounty.com
Start Date:	June 2021
End Date:	December 2022
Explanation of contract, service agreement, or type of products and quantity provided to the organization:	Reviewed each of the 13 Gwinnett County operating departments reporting to the County Administrator. Provided observations, recommendations, technology and system analysis, benchmarks to leading practices, and KPI leading practices for multiple departments each phase. Organizational structures, staffing, key workflow and business processes, use of technology, reporting, performance measures, and customer service were evaluated.

Name of Customer Organization:	Cobb County School District, GA: Performance Audit
Customer Reference Name:	Cathy Strudthoff, Director Local School Acct & Compliance
Customer Reference Address:	514 Glover Street, Marietta, GA 30060
Customer Reference Email:	catherine.strudthoff@cobbk12.org
Start Date:	2016
End Date:	Present
Explanation of contract, service agreement, or type of products and quantity provided to the organization:	Annually review the operational accounting manuals and procurement manuals for the over 100 schools throughout the District. Test the compliance of all 100 schools with the selected manuals. Structured to both determine compliance with the manual but also to assess and provide recommendations on future amendments and adjustments to the operational accounting manuals and procurement manuals based on changes in the environment.

ATTACHMENT E: CUSTOMER REFERENCE TEMPLATE

Name of Customer Organization:	Orange County, NC: Cash Handling Audit
Customer Reference Name:	Gary Donaldson, Chief Financial Officer
Customer Reference Address:	405 Meadowlands Dr, Hillsborough, NC 27278
Customer Reference Email:	gdonaldson@orangecountync.gov
Start Date:	December 2019
End Date:	February 2020
Explanation of contract, service agreement, or type of products and quantity provided to the organization:	M&J provided an operational assessment of the cash receipting processes at selected departments throughout the County and provided an overview of the weaknesses or deficiencies in the process as compared to the County's manuals/processes.

Name of Customer Organization:	South Carolina State Fiscal and Accountability Authority: Gift Card Assessment
Customer Reference Name:	Crawford Milling, Director of Audit and Certification
Customer Reference Address:	1201 Main St, Suite 600, Columbia, SC 29201
Customer Reference Email:	dcmilling@mmo.sc.gov
Start Date:	August 2022
End Date:	November 2023
Explanation of contract, service agreement, or type of products and quantity provided to the organization:	M&J assessed Florence-Darlington Technical College's purchase and distribution of gift cards, and to assess associated inventory management processes and related financial processes from the past four fiscal years. Scope included assessing fiscal trends, financial processes, and compliance with applicable governing laws and regulations. The project resulted in multiple observations and recommendations ~~focused on enhancing compliance, governance, controls, and operational efficiency~~.

ATTACHMENT F: LOCATION OF WORKERS UTILIZED BY VENDOR

Solicitation #: DPC-646236801-MT

Vendor Name: Mauldin & Jenkins, 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?

Client locations in North Carolina
M&J Offices in North Carolina, South Carolina, Georgia, Florida, Alabama, & Tennessee

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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.

ATTACHMENT G: CERTIFICATION OF FINANCIAL CONDITION

Solicitation #: DPC-646236801-MT

Vendor Name: Mauldin & Jenkins, 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: May 31, 2023 (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.

David Roberts
Signature

09/01/2023
Date

David G. Roberts
Printed Name

Partner
Title

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

Certification for Contracts, Grants, Loans, and Cooperative Agreements

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

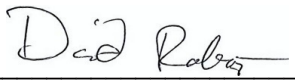
1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection 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, Mauldin & Jenkins, 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.



Signature of Vendor's Authorized Official

David G. Roberts, Partner

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:
[A] a. contract
b. grant
c. cooperative agreement
d. loan
e. loan guarantee
f. loan insurance

2. Status of Federal Action:
[A] a. bid/offer/application
b. initial award
c. post-award

3. Report Type:
[A] a. initial filing
b. material change
For Material Change Only:
year _____ quarter _____
date of last report _____

4. Name and Address of Reporting Entity:
☒ **Prime** ☐ **Subawardee**
Tier _____, *if known*

Mauldin & Jenkins, LLC
4208 Six Forks Road, Suite 1000
Raleigh, NC 27609

Congressional District, *if known*:

5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:

Congressional District, *if known*:

6. Federal Department/Agency:

7. Federal Program Name/Description:

CFDA Number, *if applicable*: _____

8. Federal Action Number, *if known*:

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*):

Mauldin & Jenkins, LLC employees

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: David Roberts
Print Name: David G. Roberts
Title: Partner
Telephone No.: 833.818.0406 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.

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

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.

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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Question #	Document Section	Vendor Question	State's Response
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.

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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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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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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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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.

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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.

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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.

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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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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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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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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.