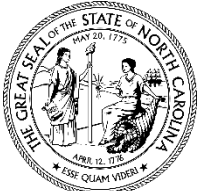


STATE OF NORTH CAROLINA Department of Administration Division of Purchase and Contract 	REQUEST FOR BEST AND FINAL OFFER NO. DPC-646236801-MT
Refer <u>ALL</u> inquiries regarding this BAFO to the procurement lead through the Events Message Board in the Sourcing Tool.	Offers will be received until: November 20, 2023, at 12:00 PM ET
See page 2 for Submission Instructions	Issue Date: November 16, 2023 Commodity Number: 84111600 – Audit Services Description: Supplemental Internal Audit Services Using Agency: STATEWIDE 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 12:00 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: Plante Moran, PLLC	EMAIL: troy.snyder@plantemoran.com	
STREET ADDRESS: 3000 Town Center, Suite 100 Southfield, MI 48075	P.O. BOX:	ZIP: 48075
CITY & STATE & ZIP: Southfield, MI 48075	TELEPHONE NUMBER: 248-2236-3273	TOLL FREE TEL. NO:
TYPE OR PRINT NAME & TITLE OF PERSON SIGNING: Troy Snyder, Partner	FAX NUMBER: 248-233-9327	
AUTHORIZED SIGNATURE: 	DATE: November 20, 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).

<u>FOR STATE USE ONLY:</u> Offer accept and Contract awarded this 1st day of December, 2023, as indicated on the attached certification, by <u>PandC - Melinda Tomlinson</u> (Authorized Representative of Division of Purchase and Contract)
--

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

REQUEST FOR BEST AND FINAL OFFER (BAFO):

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

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

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

The Parties agree to the following revisions to Request for Proposal (RFP) DPC-646236801-MT- Supplemental Internal Audit, Assurance Accounting, Data Analytics and Managerial Advisory Services. Any other proposed changes by the vendor in their proposal to DPC-646236801-MT- Supplemental Internal Audit, Assurance Accounting, Data Analytics and Managerial Advisory Services are hereby rejected and not accepted by the State.

1.0 The fifth paragraph on the execution page of the RFP is revised as follows:

“As required by Executive Order 24 (2017), the undersigned vendor certifies will comply with all Federal and State requirements applicable to vendor 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.”

2.0 Section **4.10 ADDITIONAL REQUIREMENTS subsection a. Work Papers** is revised as follows:

“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. Vendors must provide all workpapers to the soliciting agency. Vendors required by standards (AICPA, IIA, GAGAS or other standards) are allowed to maintain a copy of all the workpapers to meet the quality assurance review standard requirements. Vendor will not be disseminated any workpapers to other parties outside the soliciting agency and will only be used by the Vendor for meeting the quality assurance standards.”

3.0 Section **4.10 ADDITIONAL REQUIREMENTS subsection c. Confidentiality** is revised as follows:

“Any information, data, instruments, documents, studies, or reports given or prepared or assembled by the Vendor under this agreement (“Confidential Information”) 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. “Confidential Information” does not include information that is publicly available at the time of disclosure or becomes publicly available after disclosure; information that is already known to Vendor; information received from a third party not known by Vendor to owe a duty of confidentiality to the soliciting Agency as to that information; or information that is independently developed by Vendor without using information disclosed by the soliciting Agency for the performance of services under this Agreement”.

4.0 Section **6.6 DISPUTE RESOLUTION**, second paragraph is revised as follows:

“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. If a dispute involves nonpayment of amounts in fact owed to the vendor, the Vendor is not required to continue performing its duties and responsibilities under this contract. This provision, when agreed in the Contract, shall not constitute an agreement by either party to mediate or arbitrate any dispute”.

5.0 IT SECURITY SPECIFICATIONS

5.1 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.

5.2 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.

6.0 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 or 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 4. The 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. § 75-60ff) 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.



SEPTEMBER 6, 2023

Troy Snyder, CICA
Engagement Partner
3000 Town Center, Suite 100
Southfield, MI 48075
248-223-3273
troy.snyder@plantemoran.com

**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**

**Section 6.1: Solicitation document and signed addenda and
body of RFP enclosed**

Execution pages

Proposal Number: DPC-646236801-MT

Vendor: Plante & Moran, PLLC

STATE OF NORTH CAROLINA Division of Purchasing & Contract	
Refer <u>ALL</u> 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: Plante & Moran, PLLC		
STREET ADDRESS: 3000 Town Center, Suite 100	P.O. BOX:	ZIP: 48075
CITY & STATE & ZIP: Southfield, Michigan	TELEPHONE NUMBER: 248-223-3273	TOLL FREE TEL. NO: N/A
PRINCIPAL PLACE OF BUSINESS ADDRESS IF DIFFERENT FROM ABOVE (SEE INSTRUCTIONS TO VENDORS ITEM #21): Same as above		
PRINT NAME & TITLE OF PERSON SIGNING ON BEHALF OF VENDOR: Troy A. Snyder		FAX NUMBER: 248-233-7379

Proposal Number: DPC-646236801-MT

Vendor: Plante & Moran, PLLC

VENDOR'S AUTHORIZED SIGNATURE*: 	DATE: 8/28/2023	EMAIL: troy.snyder@plantemoran.com
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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.

<u>FOR STATE USE ONLY:</u> Offer accepted and Contract awarded this _____ day of _____, 20____, as indicated on The attached certification, by _____. (Authorized Representative of Division of Purchase and Contract)
--

Acknowledgment of Addenda

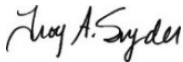
Plante Moran acknowledges that **we are in receipt of Addendum Number 1, Number 2, Number 3, and Addendum Exhibit 3_ Revised.**

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



Authorized Signature

8/23/2023

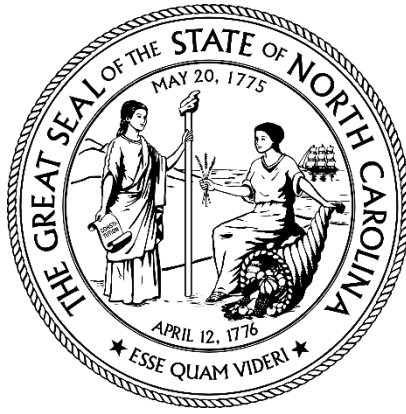
Date

Troy A. Snyder

Printed Name

Partner

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 <u>ALL</u> 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:		
STREET ADDRESS:	P.O. BOX:	ZIP:
CITY & STATE & ZIP:	TELEPHONE NUMBER:	TOLL FREE TEL. NO:
PRINCIPAL PLACE OF BUSINESS ADDRESS IF DIFFERENT FROM ABOVE (SEE INSTRUCTIONS TO VENDORS ITEM #21):		
PRINT NAME & TITLE OF PERSON SIGNING ON BEHALF OF VENDOR:		FAX NUMBER:

Proposal Number: DPC-646236801-MT

Vendor: Plante & Moran, PLLC

VENDOR'S AUTHORIZED SIGNATURE*:	DATE:	EMAIL:
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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 COMMUNICATIONS 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 whether an allegation is substantiated or unsubstantiated.

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

c. Compliance Audit

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

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

d. Information Systems Audits

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

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

1. General Controls Review - A review of the controls which govern the development, operation, maintenance, and security of application systems in a particular environment. This type of audit might involve reviewing a data center, an operating system, a security software tool, or processes and procedures (such as the procedure for controlling production program changes), etc.
2. Systems and Applications - An audit to verify that systems and applications are appropriate, efficient, and adequately controlled to ensure valid, reliable, timely, and secure input, processing, and output at all levels of a system's activity. This would involve an examination of the controls over the input, processing, and output of system data. Data communications issues, program and data security, system change control, and data quality issues are also considered.
3. System Development - An audit to verify that systems under development meet the objectives of the organization and to ensure that the systems are developed in accordance with generally accepted standards for systems development and State information technology requirements. This involves an evaluation of the development process as well as the product. Consideration is also given to the general controls over a new application, particularly if a new operating environment or technical platform will be used.
4. Client/Server - Telecommunications, Intranets, and Extranets. An audit to verify that telecommunication controls are in place on the client (computer receiving services) 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:	
Office Phone #:	
Mobile Phone #:	
Email:	

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:	
Office Phone #:	
Mobile Phone #:	
Email:	

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.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

EXHIBIT 1: STATE AGENCY AND UNIVERSITY LOCATIONS

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

UNIVERSITY OF NORTH CAROLINA

- University of North Carolina – System Office, Raleigh

Campuses

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

EXHIBIT 2: EXAMPLE OF AUDITOR'S PROFESSIONAL QUALIFICATIONS

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

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

EXHIBIT 3: EXAMPLE OF STATEMENT OF WORK

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

STATE OF NORTH CAROLINA**REQUEST FOR QUOTES****SCOPE STATEMENT NUMBER – STC#8411A**

Enter Agency Name, Request #Enter Agency Contract Number

TITLE: Short Term Internal Audit, accounting, data analytic and managerial advisory Services
Contract Number RFP# DPC-646236801-MT

ISSUE DATE: (Date of Agency Issue)

NAME: Scope Statement Number STC#8411A
Agency Name # enter agency contract number
(Agency Add Audit Assurance, Accounting data analytic and Advisory Services
Required)

DUE DATE: (Date of Opening)

USING AGENCY: Agency Name

ISSUING AGENCY: Agency Name
Individual Name
Individual Phone #
Individual email address
Agency Street address
City, NC zip code

NOTICE TO OFFERORS

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

Offers are subject to rejection unless submitted on this form.

EXECUTION

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

Proposal Number: DPC-646236801-MT

Vendor: Plante & Moran, PLLC

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

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

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

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

ACCEPTANCE OF SCOPE STATEMENT

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

FOR STATE USE ONLY

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

(Authorized representative of the Office of State Human Resources)

SUBMISSION INSTRUCTIONS:

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

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

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

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

SECTION 1: SCOPE STATEMENT SCHEDULE**Scope Statement Questions****Due Date:** XX/XX/20XX**Time:** 2:00 p.m. Eastern Time**Address:** **Individual email address**

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

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

Scope Statement Submittal**Due Date:** XX/XX/20XX**Time:** 2:00 p.m. Eastern Time**Email Address:** **Individual email address**

Instructions: The Vendor, by making an offer, expressly represents that the specifications herein have been read and understood, and that the offer complies with all aspects. Any change that is received after the due date and time, and that is not specifically solicited by the State, shall be rejected.

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

SECTION 2: PURPOSE AND BACKGROUND

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

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

SECTION 3: CONTRACT TERM

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

SECTION 4: POSSESSION AND REVIEW

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

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

SECTION 5: METHOD OF AWARD

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

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

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

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

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

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

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

SECTION 6: SCOPE STATEMENT EVALUATION PROCESS

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

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

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

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

SECTION 7: TECHNICAL SPECIFICATIONS

- a. Outsourcing an entire audit project: Yes ___ No ___
- b. Service Category: **Enter appropriate category as identify in STC #8411A**
- c. Location of Work: **Enter address** or define if some of the work can be performed remotely.
- d. Invoicing:

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

e. Scope of Work:

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

SECTION 8: VENDOR CONTRACT ADMINISTRATORS

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

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

SECTION 9: METHODOLOGY FOR COMPLETION OF WORK

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

SECTION 10: PERSONNEL

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

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

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

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

SECTION 11: COST (AND PROJECT HOURS)

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

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

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

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



**We look forward to working with you.
Please contact us with any questions.**



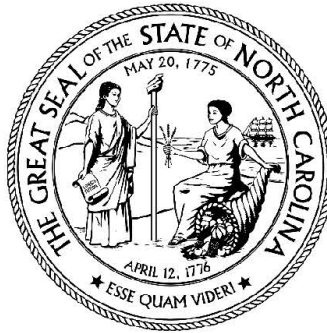
Troy Snyder, CICA
Engagement Partner
248-223-3273
troy.snyder@plantemoran.com

According to our recent
client satisfaction survey,

98%

of clients say they

**would recommend
Plante Moran.**



STATE OF NORTH CAROLINA

Request for Proposal

DPC-646236801-MT

For internal State agency processing, including tabulation of proposals, provide your company's eVP (Electronic Vendor Portal) Number. Pursuant to G.S. 132-1.10(b) this identification number shall not be released to the public. **This page will be removed and shredded, or otherwise kept confidential**, before the procurement file is made available for public inspection.

**This page shall be filled out and returned with your proposal.
Failure to do so may subject your proposal to rejection.**

Plante & Moran, PLLC

Vendor Name

4001480

Vendor eVP#

Note: For a contract to be awarded to you, your company (you) must be a North Carolina registered vendor in good standing. You must enter the vendor number assigned through eVP (Electronic Vendor Portal). If you do not have a vendor number, register at <https://vendor.ncgov.com/vendor/login>



SEPTEMBER 6, 2023

Troy Snyder, CICA
Engagement Partner
3000 Town Center, Suite 100
Southfield, MI 48075
248-223-3273
troy.snyder@plantemoran.com

**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**



September 6, 2023

Ms. Melinda Tomlinson, State Contract Manager
State of North Carolina
Division of Purchase and Contract
116 West Jones Street
Raleigh, NC, 27609

Dear Ms. Tomlinson,

Plante & Moran, PLLC ("Plante Moran") is pleased to transmit our proposal to serve as a pre-qualified independent certified public accounting and advisory firm to establish Statewide Term Contracts ("STC"). In response to your Request for Proposal # DPC-646236801-MT, Plant Moran can provide the State of North Carolina (the "State") supplemental internal audit, assurance, accounting, data analytics, and managerial advisory services as described throughout our proposal.

We seek to support your needs by drawing on our rich expertise and deep experience in performing similar engagements for numerous other governmental, state, and entity clients. We understand that P&C through a competitive bid process from qualified advisory firms provides the best, most comprehensive, and cost-effective proposals from its subsequent issue of statements of work to be further completed by a firm and then to be awarded to qualified firms, on an "as-needed" basis, if and when requested by state departments, agencies, higher education institutions, and other eligible entities (collectively, "Entities") during the contract period.

We have a team of consultants who have extensive experience in all the key areas affecting the State and its Entities. The opportunity to perform these requested services of the State and its Entities is important to Plante Moran and is only the foundation — not the totality — of our relationship. Our integrated internal audit and other consulting teams excel in providing risk assessment and advisory, accounting, data analytics, IT audit, investigative/discovery, as well as managerial and operational improvement services that can address the State and its Entities' current and future requirements. Plante Moran has the resources and capabilities to provide the highest level of service, at a competitive cost, and more value to cover the full spectrum from a specific issue or concern to overall operations.

Backed by our strong resources, deep bench of governmental internal auditors and technical specialists, and our expertise with governmental accounting and financial record keeping, data analytics, IT systems audit, investigative, and managerial advisory services; Plante Moran is the qualified advisory firm you are seeking. As you evaluate our proposal, we encourage you to consider the experienced consultants and subject matter experts we have hand-selected to serve the State and its Entities' needs.

What makes Plante Moran the best choice for the State and its Entities

Expertise that fits the bigger picture of who you are and enables us to take you to the next level.

We bring the following distinct qualifications and will draw on our experience to:

- **Provide expertise and capacity to serve the State and its Entities.** Our governmental consulting teams are comprised of experts who have served similar entities, agencies, departments, and higher education institutions the State has outlined as well as provided consultations with a fresh perspective from other public and private sector clients. The result for the State will be project approaches and workplans that are forward-thinking, bringing new ideas for service delivery while incorporating many of the nuances of public sector operations into our potential engagements.
- **The mark of our client experience is simple: We put your needs first.** Plante Moran will offer the State and its Entities a team that will work collaboratively, communicate frequently, and be versed in the operations of the State's various Entities.
- **As one of the largest consulting and accounting firms nationally, we have extensive experience and believe we are well-qualified to serve the State and its Entities.** Over **1,700 public sector clients** have established Plante Moran as a leader in this industry. We will strive to be your trusted advisor to help navigate your financial and operational opportunities and challenges. Our philosophy is NOT "if you've seen one 'State' client, you've seen all States." We understand the State of North Carolina is completely unique. We will deliver the expertise and best practices that are the best fit for you.
- We provide internal audit and consulting services to various North Carolina and other Southeast governmental and public sector entities including, current and past project work for the **Town of Cary, NC, Guilford County, NC, Fayetteville Public Works Commission, NC, City of Charlotte, NC, City of Asheville, NC, Gwinnett County, GA, Atlanta Public Schools, GA, DeKalb County School District, GA, Town of Hilton Head Island, GA, City of Gainesville, FL, and County of Miami-Dade, FL.**
 - ◆ State clients include the **State of Louisiana, State of Florida, State of Illinois, State of Ohio, State of Michigan, State of Colorado, State of Wyoming, State of California, and State of Hawaii.**
- **Our consultants are recognized as industry leaders.** We participate in and exhibit at the Government Finance Officers Association (GFOA), national and state level, including the **North Carolina GFOA show**, as well as AICPA (including the Governmental Audit Quality Center and State and Local Government Expert Panel), and other professional associations including the **North Carolina GMIS show, North Carolina Local Government Information Systems Association (NCLGISA), ICMA, PTI, National Association of State Comptrollers (NASC), National Association of State Auditors, Comptrollers and Treasurers (NASACT), The Institute of Internal Auditors (IIA), and Association of Certified Fraud Examiners (ACFE).**
- **Our proposed team of consultants has the governmental internal audit, assurance, financial accounting, data analytics, IT systems audit, managerial/re-engineering expertise and so much more needed to work on this important initiative by the DOA's P&C.**
 - ◆ Your **customer service point of contact/advisor, Matthew Bohdan**, was appointed to the **U.S. Comptroller General's Advisory Council on Standards for Internal Control in the Federal Government**, where he uses his expertise and insight to set and revise standards for effective internal controls at government agencies.
 - ◆ We have provided our proposed consultants' resumes on pages 50–70 which highlight their expertise. **Plante Moran has the capacity to fully execute your requested services.**

- **We can help the State meet its Historically Underutilized Business (HUB)** program. If we are awarded to be a pre-qualified advisory firm to serve the State and its various Entities, we can work to potentially team up with certified small, minority, physically handicapped, and women contractors. It would be our intent to allocate approximately 10 percent of the total hours and an equivalent proration of the final fee. Their staff would be interwoven with ours within the same supervisory structure and utilize the Plante Moran approach, software systems, and quality control structure and function as one cohesive team.
- **Proven methodology and customized workplans will provide a more efficient and no-surprise experience with on-time delivery.** Cornerstones of our service approach include frequent communication throughout the year and a higher degree of partner and manager involvement. See pages 71-104 for our workplans and approach.

Structured differently to serve you differently – Full Service Firm

Our **“one-firm” firm** approach prioritizes client service over maximizing profits. This philosophy can be summed up as follows: we do not limit ourselves to professionals within a single office when staffing engagements. Doing so would limit the expertise and resources available to our clients, yet it is the approach that most of our competitors take. **Plante Moran is different because we provide the collective power of our entire firm and the best team members, resources, and services for your needs, regardless of location.**

We are excited to redefine the level of service that you should expect from a professional services provider. Our proposal describes how we will serve you, and what we have done for other clients like the State and its various eligible Entities. The contents, terms, conditions, and costs quoted in our proposal present a firm and irrevocable offer from Plante & Moran, PLLC for at least 120 days from opening. As your engagement partner, I, Troy Snyder, am authorized to negotiate and contractually bind Plante & Moran, PLLC during the period of the proposal evaluation, negotiation, and contract finalization.

If you have any questions concerning this proposal or need to contact any of the engagement team members, or if you have any questions about our proposal, we are available to further discuss our workplans, approach, or expand on the ideas contained within our proposal. I will serve as Plante Moran’s designated point of contact for this proposal. If you have any questions concerning this proposal, please contact me as follows:

Name: Mr. Troy A. Snyder, Partner
Firm Legal Name: Plante & Moran, PLLC
State of Incorporation: Michigan
FEIN: 38-1357951
Vendor eVP#: 4001480
UEI: 1558610
NC Secretary of State ID: 0808376
Plante Moran is e-verified
Dun & Bradstreet Number: 00-491-3299

Contact Information
 Phone Number: 248-223-3273
 Fax Number: 248-233-7379
 Email: troy.snyder@plantemoran.com

We are looking forward to the opportunity of working with the DOA’s P&C to support the State and its Entities’ future contract projects.

Sincerely,



Troy A. Snyder, CICA
 Engagement Partner

Execution pages

Proposal Number: DPC-646236801-MT

Vendor: Plante & Moran, PLLC

STATE OF NORTH CAROLINA Division of Purchasing & Contract	
Refer <u>ALL</u> 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: Plante & Moran, PLLC		
STREET ADDRESS: 3000 Town Center, Suite 100	P.O. BOX:	ZIP: 48075
CITY & STATE & ZIP: Southfield, Michigan	TELEPHONE NUMBER: 248-223-3273	TOLL FREE TEL. NO: N/A
PRINCIPAL PLACE OF BUSINESS ADDRESS IF DIFFERENT FROM ABOVE (SEE INSTRUCTIONS TO VENDORS ITEM #21): Same as above		
PRINT NAME & TITLE OF PERSON SIGNING ON BEHALF OF VENDOR: Troy A. Snyder		FAX NUMBER: 248-233-7379

Proposal Number: DPC-646236801-MT

Vendor: Plante & Moran, PLLC

VENDOR'S AUTHORIZED SIGNATURE*: 	DATE: 8/28/2023	EMAIL: troy.snyder@plantemoran.com
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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.

<u>FOR STATE USE ONLY:</u> Offer accepted and Contract awarded this _____ day of _____, 20____, as indicated on The attached certification, by _____. (Authorized Representative of Division of Purchase and Contract)
--

Plante Moran has also uploaded a completed and signed version of all Execution Pages, along with the body of the RFP to the State's procurement site Ariba.

Acknowledgment of Addenda

Plante Moran acknowledges that **we are in receipt of Addendum Number 1, Number 2, Number 3, and Addendum Exhibit 3_ Revised.**

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

	8/23/2023
Authorized Signature	Date
Troy A. Snyder	Partner
Printed Name	Title

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125	<i>Get to Know More About Plante Moran</i>

Our responses to your specifications of this RFP



4.4: Vendor experience

In its Proposal, the Vendor shall demonstrate experience with public and/or private sector clients with similar or greater size and complexity to the State. The 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.

Firm overview

We are the 14th largest certified public accounting and management consulting firm in the nation. With **a history spanning nearly 100 years**, our firm provides clients with financial, human capital, operations improvement, strategic planning, technology selection and implementation, and wealth management services.

Fast facts



1924

Year founded



3,500+

Staff



360+

Partners



24

Offices worldwide



50

States with clients



150+

Countries where
we've served clients



45+

Services available



25+

Industries served

Our people are our most valuable differentiator.

Plante Moran's founders had a vision:
"to create a people firm disguised as an accounting firm."

In other words, our professional expertise is just one part of who we are. Our character is what sets us apart and allows us to build meaningful relationships with our clients and colleagues.

As we move into the future — and continue to use artificial intelligence, data analytics, and other technologies to empower our client service model in new ways — we'll hold steadfast to that philosophy.

THE WHOLE PERSON

COMES TO WORK

We're more than the sum of our expertise. It's how we work collaboratively — with each other and with our clients — that sets us apart. Learn more by watching our video series "The Whole Person Comes to Work" at plantemoran.com/celebrate.

Governmental experience and leadership



For more than 75 years we have offered practical, objective solutions to the complex issues that governments face. We serve government organizations in 45 states and are among the largest consulting and CPA firms nationally. Accountability to the public is essential for every government entity. Our team has frontline experience and understands operating under the unique constraints faced in government today. With a long history of partnering with governmental organizations while maintaining our independence, Plante Moran provides that independent, objective, fact-based assessment of stewardship, cost, or

performance of programs and operations.

What our practice looks like

500+

Governmental clients, including:

- Airports
- Transportation organizations
- Authorities
- Local government
- Pension systems
- Special districts
- State agencies
- Utilities

750+

Annual Comprehensive Financial Report (ACFR) audits conducted in the past 25 years whereby the ACFRs have received the GFOA's Certificate of Achievement for Excellence in Financial Reporting

575+

Single audits performed annually

45

States with public sector clients

1,700+

Public sector clients served

250+

Staff dedicated to serving governmental clients

1,300+

GASB entities served

25+

Partners dedicated to serving governmental clients

75

Years serving government entities

\$9B

Federal expenditures audited per year

How we stand apart from the competition

When it comes to serving government entities, the Plante Moran difference can be boiled down to two key factors:



Our governmental clients are served by consultants who have made the public sector a focus of their careers.

Because our firm is organized by industry (not by office or region), the State and its Entities will always be served by specialists who have already served many governmental entities, including cities and counties, municipal operations, water and sewer authorities, transit authorities, state government agencies, and public library systems.



Our firm is unmatched in the level of research we conduct on challenges facing governmental leaders.

Our active involvement in government associations — along with our firsthand experience serving a large, diverse client base — is at the heart of our technical expertise. We pass on what we learn to our staff in the form of internal training seminars and to our clients through our webinars, white papers, and toolkits.

Risk, internal controls, and accounting advisory services

Our experienced consultants are prepared to help you achieve key business objectives surrounding compliance, performance and controls, accountability, and financial transformation. By understanding these interdependencies, we will offer a holistic service approach to the State and its Entities.

Our team is a blend of risk management consultants with specializations in information technology and financial/operational internal controls. This benefits our clients because we hit the ground running and consistently apply our experience to identify and implement operational efficiencies for our clients.



Practice profile

Internal control and risk consulting expertise and capabilities:

- | | |
|---|---|
| <ul style="list-style-type: none"> • Internal audit co-sourcing and outsourcing • Management of internal audit departments • Purchasing card audits • Developing risk assessment models • Enterprise risk management (ERM) | <ul style="list-style-type: none"> • Organization risk assessments • Quality assurance reviews (QAR) • Establishing ethics hotlines • Efficiency and effectiveness reviews • Business process design, re-engineering, and implementation |
|---|---|

13+

Average years of staff experience providing risk and accounting advisory services

20+

Countries where we serve risk and accounting advisory clients

300+

Risk and accounting advisory services clients

100+

Consulting and IT professionals providing risk and accounting advisory services

\$300M – \$5B+

Range of revenue for clients served

125+

Publicly traded risk and accounting advisory clients

Team members are credentialed in one or more of the following:

- **CPA** – Certified Public Accountant
- **CIA** – Certified Internal Auditor
- **CFM** – Certified Financial Manager
- **CICA** – Certified Internal Control Auditor
- **CISA** – Certified Information Systems Auditor
- **CFE** – Certified Fraud Examiner
- **MBA** – Master’s in Business Administration
- **MPA** – Master of Public Policy Analysis and Administration
- **PMP** – Project Management Professional

On pages 4-26 we have described our qualifications and capabilities for the Scope of Work as outlined in Section 5.2 subsections a. through i.

A. Operational/performance audit

Our team is a blend of risk management consultants with specializations in financial/operations internal controls and information technology. It accounts for 26 percent of total revenue in our management consulting practice.

These team members also have broad enough experiences that can assist in the formation of a consistent risk framework to support your strategic initiatives. The team works regularly throughout the spectrum of internal audit as a professional service firm – from staff augmentation to co-sourcing and full outsourcing. Our team is augmented by professional service experts who are deeply involved in the nuances and changing landscape of the industry.

Our operational and performance audit methodology is organized into the following phased approach to ensure that project stakeholders are informed of current project objectives and activities.

Phase 1: Risk assessment & review of internal audit function

We customize all risk assessments to our client's specific needs using interview and survey methodologies as a general information collection framework. We will recommend a bespoke approach based on our understanding of your specific needs and expectations.

1. Survey-based data collection to develop risk impact and likelihood baseline measurement.
2. Interview-based discussions to identify root-cause drivers for risk events and existing risk reduction practices.

These methods are used in a complementary fashion to optimize the effectiveness of our risk assessment approach.

We interview senior leadership to obtain an understanding of risks from the client's perspective. We use this information, industry expertise, and risk management experience to craft a custom risk universe. The collaborative risk workshop session further develops and refines inherent risk and provides a venue to introduce initial risk mitigation activities and remediation improvement targets. This workshop is followed by individual meetings with risk owners to further document risk mitigation activities and introduce risk reduction action items.

Phase 2: Audit plan development & recommendations

Following the completion of the risk assessment and review of the internal audit function, Plante Moran will prepare a report of findings and recommendations. This report will include the following:

1. Summary of procedures performed.
2. Findings and issues noted.
3. Recommendations to update the internal audit program, including policies and procedures to align with applicable standards and industry best practices.

We will utilize insights gained from our risk assessment and interview discussions with management to develop a risk-based audit plan. We will develop operational and performance audit scoping strategies and incorporate into the internal audit plan. The plan will include audits to address within a one-year time period. The audit plan will also consider budget for audits in the coming year. We will present the risk assessment results and proposed audit plan to key stakeholders.

Below are examples of reports that will be created for the risk assessment. We also have many more that we can share and customize to meet Metro's needs.

Risk assessment

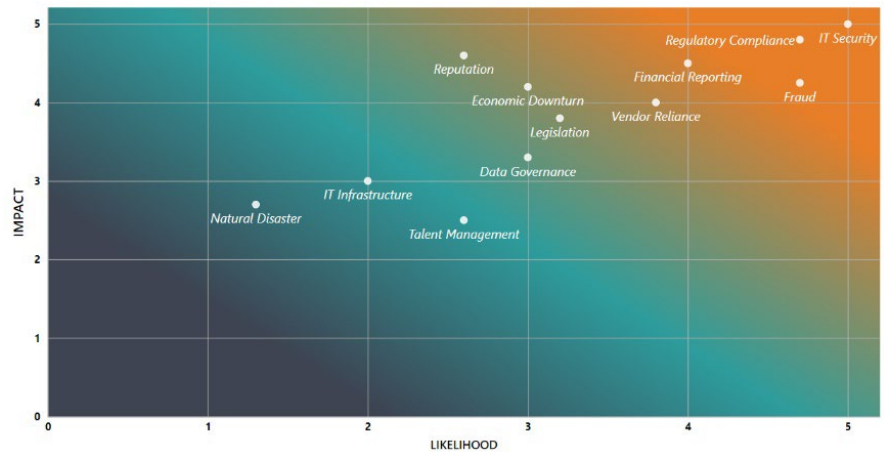
1. A ranked list of risks, including key mitigating activities and areas of continued risk.
2. Risk assessment observations and recommendations for incorporation into Metro's internal audit plan.
3. Risk rating criteria and risk analysis used to perform the assessment.
4. Interview documentation.

Risk Rank	Risk	Risk Definition	Risk Status	Risk Scoring
#1	IT Security	IT security is compromised by internal factors, cyber-attack, data intrusion, or other external factors.	Key Mitigating Activities: 1. IT software and operating systems are kept up to date with the latest security and operational patches. 2. An endpoint security solution is implemented across all network endpoint devices. Areas of Continued Risk: 1. No requirement for employees to take cyber security trainings. 2. Employee emails can be accessed on their personal devices and downloading of sensitive data is not monitored.	Mitigation Strength  Residual Risk 
#2	Regulatory Compliance	Failure to comply with statutory laws and regulations results in financial and reputational losses.	Key Mitigating Activities: 1. Finance works collaboratively with project management for grant reporting to verify compliance, eligibility is determined correctly, and timely filings. 2. For all regulatory filings, a workflow process is utilized to track filings and provide automatic notifications to the process owner. Areas of Continued Risk: 1. The workflow does not provide notifications to back-up process owners. 2. Lack of consistent formal documented procedures to verify that regulatory filings are properly and timely met.	Mitigation Strength  Residual Risk 

Risk visualization

Our methodology leverages data visualization to optimize the value of our deliverables. We use powerful tools to create a range of visuals to help you best manage your risk environment, which provides the following benefits:

1. Instantly understand risk level and prioritization.
2. Support consistency throughout the organization with a standardized assessment methodology.
3. Model your risk universe using best practices by mapping operational objectives to key risks.



Phase 3: Internal audit execution

We will execute internal audits as determined by the internal audit plan and as agreed upon with the State. Our procedures will include the following:

1. Review and document processes.
2. Conduct meetings with departmental personnel.
3. Assess operations for efficiency and effectiveness in alignment with risk assessment and scoping plan.
4. Identify improvement opportunities to resolve inefficient use of resources or wasted capital.
5. Evaluate results and potential action plans.
6. Create reports.
7. Communicate results.
8. Support implementation and follow-up.

The Plante Moran team will remain available throughout the engagement to complete other consulting audit tasks as needed.

B. Investigative audit

Forensic and valuation services and expertise

Our forensic and valuation services (FVS) team has been involved in thousands of engagements focused on fraud and forensic accounting, no-fault wage and survivors loss, third-party liability, business interruption, property damage claims, bankruptcy, and probate issues, and is skilled in all phases of engagement delivery, including research, analytical modeling, and the communication of conclusions.

Our broad base of experience includes matters such as fraud investigations, internal control assessments, claims analyses, continuous data monitoring (analytics), intellectual property disputes, and more. We analyze complex accounting, financial, economic, public source, and operating information, and present our findings in a clear, concise manner.

Our FVS team is comprised of **more than 50 consultants**, which makes us one of the largest providers of forensic and valuation services. We supplement the skill set, industry experience, and geographic resources of our team with more than **3,500 audit, tax, and consulting staff** across **24 offices**.

Giving back

Since 2011, our FVS team has partnered with various local County Prosecutor's Offices and the Michigan Attorney General's Office to provide pro bono forensic accounting services in cases involving financial exploitation perpetrated against vulnerable adults. The program provides our team an opportunity to give back to the community using our forensic accounting expertise and tools. We work closely with the Prosecutor and AG's Offices from the initial stages of the investigation through the prosecution. Through this program, our team has provided testimony in court regarding the financial findings from the investigations.

Responsiveness, objectivity, and technical expertise

We have earned an exemplary reputation in the business and legal communities for responsiveness, objectivity, and technical expertise. Our staff has comprehensive knowledge of the procedures and requirements of the GAAP, GAAS, FASB, IFRS, IASB, and the various dispute resolution forums (e.g., federal and state courts, ADR, mediation, arbitration). The team is accustomed to functioning under each forum's discovery, reporting, and testimony deadlines.

The members of our team have received significant professional recognition and certification for professional development by national organizations. The technical strength of the FVS group is evidenced by the following professional credentials:



Certified Fraud Examiner (CFE)

Awarded by the Association of Certified Fraud Examiners (ACFE). A Certified Fraud Examiner (CFE) is a leader in the anti-fraud community, noted as a specialist in the prevention and deterrence of fraud. They represent the highest standards held by the ACFE and possess expertise in all aspects of the anti-fraud profession.



Certified in Financial Forensics (CFF)

The accrediting body is the American Institute of Certified Public Accountants (AICPA). The Certified in Financial Forensics (CFF) credential is a certification that recognizes the combined specialized forensic accounting expertise and core knowledge and skills that make CPAs among the most trusted business advisers. The CFF encompasses fundamental and specialized forensic accounting skills that CPA practitioners (see below) apply in a variety of service areas, including bankruptcy and insolvency; computer forensics; economic damages; family law; fraud prevention, detection, and deterrence; and financial statement misrepresentation.



Certified Public Accountant (CPA)

The accrediting body is the American Institute of Certified Public Accountants (AICPA). CPAs are qualified accountants in the United States who have passed the Uniform Certified Public Accountant Examination and have met additional state education and experience requirements for certification as a CPA.

“

We chose to engage Plante Moran’s forensic accounting team because of the firm’s solid reputation in working with state and local governments.

Once engaged to perform the investigation, Plante Moran **promptly responded and got right to the bottom of the issues**. Plante Moran quickly uncovered the problematic activity and provided conclusions to help us solve the investigation.

Working with the forensic accounting team was exceptional. The team was extremely collaborative, and the communication between Plante Moran and our city departments was excellent. The team delivered detailed information through well-prepared presentations, flowcharts, and reports – which the city still uses today. In addition to the excellent work Plante Moran provided, we were pleased to work with such friendly and engaging staff.”

– Jim Smiertka, City Attorney

Core components of our service methodology

We assist organizations with investigations related to the detection and quantification of losses due to inappropriate activities. Our team brings together accounting, auditing, and investigative skills to help organizations assess the quality of their internal controls and their ability to minimize the risk of fraud. We've developed a comprehensive set of forensic accounting skills and advisory services that enables us to serve you with care and sensitivity.



Special investigations

Where problematic activity is suspected, our independent consultants take the burden of investigation off management during what can be a highly charged, emotional situation. Our specialists have extensive experience investigating, documenting, summarizing detailed and complex accounting transactions, and communicating our findings in a clear and concise manner to management, administrative boards, and in court. The team conducts investigations in a discreet manner to determine the scope of the possible fraud, quantify the losses, and preserve the evidence.



Risk assessments

Results from a recent survey conducted by the Association of Certified Fraud Examiners (ACFE) cited that inadequate internal controls are the most common factor allowing inappropriate activities to occur. We conduct risk assessments to identify vulnerabilities, summarize current internal control weaknesses, and provide recommendations to strengthen those controls.



Data mining

Data mining is the process of extracting patterns from data. It uses sophisticated data search capabilities and statistical algorithms to unearth patterns and correlations, and can be useful in a variety of applications, including detection of abnormal transactions. We employ a full range of software and technology tools to help us uncover facts and relay information timely and efficiently.



Prevention plans

A prevention plan can help your organization proactively identify, assess, monitor, and review your organization's risks. It will support your organization's efforts to mitigate losses due to occupational fraud. Organizations with active prevention plans that include these specific controls report lower losses and faster detection.

What sets us apart?

Every fraud investigation is truly unique and, in fact, that's what we enjoy about our job. Our forensic team specializes in solving the puzzle. While each engagement is unique, our experience has found that select tasks are performed frequently (background research, data analytics, email and/or hard-drive analysis, document analysis, interviews, report writing, and testimony). Recognizing the significance of these tasks in a fraud investigation, we have made substantial investments in our software, tools, resources, and expertise to support our clients.

Collaboration with industry experts

While our fraud experts are versed in all industries, we collaborate with our firm’s industry specialists to address industry nuances. We dig deep to uncover issues and vulnerabilities and provide insights to yield the best possible outcome.

Hours of staff training and field experience

Our team frequently participates in seminars and trainings to cultivate their expertise and keep up with the most pressing issues facing our clients.



Multiple trainings regarding Internet research, including social media



ACFE trainings and others related to investigative interviewing



Thousands of CPE hours in training to fine-tune our document analysis skills



Reports written with standard of quality to ensure they endure in a litigation setting



Average of 100 engagements performed each year

Our tools to help uncover the facts

We use a variety of software to efficiently uncover the facts and support our findings.

Background research

Thompson Reuters CLEAR
Background investigative software

Data analytics

Tableau
Fraud analytics and data visualization

CaseWare IDEA
Accounting transactional mining

Alteryx
Data preparation, including geo-coding

Email/hard-drive analysis

- **Intella**
Email analytics and EnCase file review

Document analysis

ProperSoft
Document conversion software to usable data

SharePoint
Encrypted online web portal to securely transfer and maintain client information

LeapFile
Encrypted online web portal to securely transfer client information

We don’t just participate, we lead

While our team attends hundreds of training hours each year to enhance our skills, we’re recognized as experts and constantly receive requests to lead trainings on fraud-related topics at national conferences, local seminars, internal Plante Moran trainings, and academic institutions. The following list highlights just a few of the many recent public sector presentations given by the forensic experts in our firm.

- AICPA & CIMA Governmental Accounting and Auditing Update Conference
 - *Using Data Analytics to Detect Fraud in Government*
- City of Grand Rapids Fraud Awareness Workshops
 - *Can you Spot the Fraud?*
- BS&A Users Annual Conference
 - *Fraud*

- Association of Airport Internal Auditors Annual Conference
 - *Fraud in Governments*
- Tennessee Society of CPA's (TSCPA) Governmental Accounting and Auditing Conference
 - *Fraud and COVID-19*
- American Public Transportation Association
 - *Using Data Analytics to Detect Fraud*
- Florida Government Finance Officers Association
 - *Using Data Analytics to Detect Fraud in Government*
- Colorado Government Finance Officers Association
 - *Fraud in Government: Protect the Public's Money*
- National Association of Local Government Auditors
 - *Fraud in Governments*

Due to the confidential and legal nature of our projects, we are typically engaged by our clients' attorneys to maintain attorney work product protection, and, therefore, we are not authorized to release the names of those clients, including governmental clients. However, the **following are some examples of cases whereby the client has given us permission to discuss the details of our investigation and offered themselves as a reference.**

Additional examples of investigations

Below is a small sample of representative investigations performed by our forensic accounting team in recent years.

- We were selected through a proposal process to investigate tax fund deficits at a Township. Through our analysis, we identified a kiting scheme performed by the former Treasurer which resulted in over \$1 million in losses. We discovered the former Treasurer was pre-billing residents for taxes, transferring money between various funds, and depositing unrelated checks into the tax fund, all in an effort to falsely inflate the fund's balance to disguise the scheme. We provided our findings to the State Police, which pursued criminal charges with Plante Moran testifying as the expert. The former Treasurer pled guilty for forgery, embezzlement by a public official, refusing to turn over records to the successor treasurer, and using public money for personal use. She was sentenced to three to ten years in prison and restitution was set at almost \$1.4M.
- We were engaged by Counsel for an educational oversight entity to investigate potential fraud, waste, and abuse of federal grant funds. The entity, which functioned as a pass-through entity for select grants, discovered a recipient to whom they provided funds had submitted a \$5,000 fictitious invoice for reimbursement. We were engaged to analyze the supporting documentation submitted in relation to all grant monies paid to the select sub-recipient. Our analysis involved reviewing payroll records, lease agreements, construction invoices, and "typical" vendor invoices, as well as performing background research and social media research. We discovered nearly \$80,000 in problematic activity. Our analysis has been turned over to the State Police for further investigation.
- We were engaged by an organization to perform forensic investigative services. We discovered multiple employees colluding to divert funds via payroll. We performed an extensive analysis of payroll and timesheet records, working with our client's third-party payroll provider, to determine a scheme whereby the supervisor was inflating and approving fictitious hours for their subordinate employees. We quantified losses exceeding \$40,000 and assisted our client in preparing a proof of loss claim with their insurance company. We subsequently provided recommendations for the client to strengthen their internal control environment.

- We were engaged by an organization to perform forensic investigative services. Our team performed an extensive review of documents, emails, etc., and uncovered the CEO had incurred over \$30,000 in personal/improper credit card charges, submitted fictitious expense reports totaling over \$20,000, diverted over \$90,000 in funds via fictitious invoices, and hired several vendors with whom they had a conflict of interest (i.e., family members), paying them over \$2,000,000. Our work was turned over to the FBI, which resulted in multiple criminal charges.
- We were engaged by a law firm to perform forensic investigative services for one of their clients. The organization's internal investigation identified a forgery scheme, whereby the Controller altered the payee information on the physical check to differ from the payee listed in the accounting system. However, during our analysis, we performed data analytics, email review, invoice review, and interviews, discovering additional schemes performed by the Controller which resulted in the loss amount doubling. In total, we quantified \$435,000 in losses and the Controller pleaded guilty to criminal charges, while the client received its full insurance policy reimbursement.
- We were engaged to investigate a whistleblower complaint regarding potential payroll fraud and timecard manipulation by select firefighters. Our analysis discovered thousands in losses incurred by the municipality. Our findings were turned over to the State Police and resulted in multiple convictions.
- We were engaged to investigate potential credit card abuse by a key employee. Our analysis included credit card statements, employee email activity, and online research. We uncovered thousands in problematic (i.e., personal) spending on the organization's credit card, as the employee used the credit card for personal vacations and recorded the expenses to various accounts. Our findings were turned over to the State Police.
- We were engaged to investigate purchases made by a Police Chief. Specifically, we were engaged to identify if purchase amounts were intentionally split amongst invoices to circumvent approval threshold dollar amounts (i.e., the Council must approve all purchases over a certain dollar threshold). Our scope was expanded, and our analysis identified the Police Chief was one of several department heads circumventing disbursement approval processes using this method.
- We were engaged by a retail entity to perform forensic investigative services. We extracted information from the point-of-sale and accounting systems and obtained additional information from third parties, including transactional data from the third-party credit card processor and banking information from their respective financial institutions. Through data analytics and review of supporting documentation, we discovered the bookkeeper was diverting proceeds from cash sales in addition to processing "refunds" to their personal credit cards for transactions that didn't occur. They concealed their \$70,000+ in problematic activity by recording the fictitious purchase of inventory to balance the books. Our findings were turned over to the authorities and the bookkeeper was arrested and pleaded guilty.
- We were engaged by a large County to perform data analytics and analyze deposit activity after a cashier, who was caught on surveillance cameras diverting cash from a register, claimed "everyone was doing it". Our analysis involved a significant amount of data, which we analyzed to identify additional problematic transactions. We isolated the days containing problematic activity and turned our findings over to the applicable Prosecutor and Detective for further analysis.

C. Compliance audit

Adherence to regulatory, statutory, and contractual requirements

The number of regulations continues to grow as regulators demand stronger protection for consumers, customer information, and transparency of information. Our regulatory compliance consultants will help the various State Entities sift through the regulations, minimizing impact while helping protect their organization. Our experts are former examiners or compliance department executives and certified regulatory compliance managers (CRCM) and are always current with trends and knowledge of potential regulatory changes.

How we help

We will help you take a proactive approach to compliance risk management by assessing the State Entity's ongoing compliance efforts, identifying possible problems, and recommending solutions. We are here to help them understand and prepare for new compliance requirements before they affect the State's various eligible Entities. Our services focus on governance risk and compliance, and the necessary controls and policies to ensure they're prepared to meet all requirements from year one and onward.

Our services include

- Development and assessment of compliance policies & procedures (and governance)
- Full-service compliance review & monitoring activities
- Independent testing
- Interpretation of regulatory guidance & development of implementation plan
- Analysis of compliance implications of new products & services
- Compliance personnel training & development
- Consultation with boards
- Pre-quality compliance assessment (combined with examination)
- Compliance monitoring and interpretation

Adherence to internal policies and procedures

Adherence to internal policies and procedures is crucial for a governmental agency to fulfill its responsibilities, maintain public trust, ensure legal compliance, and operate efficiently and effectively. We will design audit procedures to efficiently validate adherence to established policies and procedures ensure that business activities are consistent, transparent, and accountable.

Policy and procedure audit objectives will:

1. Identify potential risks associated with non-adherence to internal policies and procedures.
2. Prioritize risks based on impact and likelihood, guiding the audit focus.
3. Leverage testing procedures to assess adherence to critical policies and procedures.
4. Develop an action plans to address non-adherence and implement necessary changes.
5. Define specific tasks, responsibilities, timelines, and success criteria for each corrective action.

Adherence to grant requirements

We understand the challenges governmental entities and subgrantee organizations face while serving as effective stewards of local, state, and federal dollars. Our team has extensive experience advising our clients on programmatic and financial compliance requirements. For other clients, we have:

1. Identified instances of subrecipient non-compliance with laws, regulations, awarding agency requirements, subgrant contract stipulations, and the Uniform Guidance.
2. Communicated concerns or findings identified to the subrecipient via post-monitoring letters and requested the development of a remediation plan to address the concerns or findings identified.
3. Tracked subrecipient remediation efforts and obtained evidence of remediation activities completed.
4. Provided training to grants program managers on federal grant compliance requirements.
5. Consulted on the impact of new funding sources, including significant grant revenues related to the pandemic, and provided best practice recommendations related to new compliance requirements.

Our staff remains abreast of changes to compliance requirements through training, research, and, more importantly, continuing grant consulting engagements. As a result, we are able to pass that knowledge on to our clients.

Members of our team also have strong working relationships with federal agencies, making it easy to get answers to tough technical questions as they arise.

Our monitoring tools and resources

We have evaluated and developed grant monitoring tools, resources, policies, procedures, systems, and processes for many state and local governmental units. To accomplish this, we utilize relevant laws, regulations, guidance from awarding agencies, the grant contract, and the Uniform Guidance to ensure the most restrictive compliance requirements are addressed. We take a top-down approach with our clients to obtain a clear understanding of the organizational and departmental structure, grant management goals, and management's concerns before diving into the process-level detail. For other clients, we have:

1. Advised on grants management and compliance internal controls, providing recommendations where gaps exist in the internal control framework or where the internal control framework may be strengthened.
2. Identified grant management policy and procedure gaps where key compliance requirements were not addressed.
3. Recommended process improvements to the subrecipient application and monitoring processes.
4. Developed grant monitoring tools unique to various Department of Housing and Urban Development (HUD) and U.S. Treasury sponsored programs. Examples of tools include:
 - a. Subrecipient and program risk assessments
 - b. Risk-based sampling guidance reference material
 - c. Grant spend monitoring work plans
 - d. Subrecipient questionnaires
 - e. Subrecipient documentation checklists
 - f. Pre- and Post-award monitoring letters

- g. Programmatic and financial monitoring templates addressing key compliance requirements.
- h. Workpapers for programmatic and financial sample testing.

Our suite of monitoring tools helps ensure subrecipients have:

1. Established programmatic and financial policies and procedures,
2. Established an effective financial management system, such as accurate accounting of the grant subsidy, reimbursements, expenditures, program income, and match (as applicable).
3. Maintained adequate programmatic and financial records for the minimum retention period.
4. Operated programs in accordance with local, state, and federal compliance requirements.
5. Adhered to the scope of services and performance metrics within the grant contract.
6. Staff with sufficient knowledge and skills to operate the grant program.
7. Submitted performance reports, financial documentation, or other reports required by the grant contract accurately and in a timely manner.

Audit plan development and monitoring services

We take a risk-based approach to subrecipient monitoring. The extent of audit procedures is based on our subrecipient and grant program-level risk assessments. Subrecipients and programs with the highest level of risk per our risk assessment will have larger sample sizes for programmatic and financial testing, more extensive monitoring procedures, or more frequent monitoring.

Subrecipients with a higher level of risk are included first in the audit plan to allow more time for remediation of any concerns or issues identified. We also design the audit plans to have at least two-quarters of data from which to sample in the current program period being tested.

Subrecipients are provided with a monitoring notice, including a documentation request list, and are given sufficient time to respond. As any issues or instances of non-compliance arise, we proactively communicate this to our client's project sponsor and confirm the issues noted with the subrecipient. Our proactive approach maintains strong lines of communication and ensures no surprises.

For our clients, we have:

1. Developed audit plans with various monitoring strategies, depending on the subrecipient's risk assessment results.
2. Adhered to monitoring schedules agreed-upon with management.
3. Developed and prepared subrecipient monitoring templates featuring compliance requirement citations, documentation references, and conclusions evidencing whether compliance requirements were satisfied.
4. Held weekly status meetings with the client's project sponsor to discuss progress and issues identified.

D. Information systems audits

Support for public agencies

Plante Moran has been providing information technology audit services to public sector clients for the last 40 years. The table below provides a partial listing of clients for which Plante Moran has provided information technology audit and strategic planning services within the last five years. This serves to demonstrate Plante Moran's technology audit competencies beyond the cybersecurity realm.

CLIENT NAME	STATE	PROJECT TITLE	START DATE	END DATE
County of Osceola	FL	IT Audit and Strategic Plan	Apr-22	Present
City of Irvine	CA	IT Audit	Mar-21	Jan-22
City of Palm Desert	CA	IT Audit	Mar-21	May-20
City of Fort Walton Beach	FL	IT Audit / IT Strategic Plan	Mar-21	Dec-21
City of Panama City Beach	FL	IT Audit / IT Strategic Plan	Nov-20	May-21
City of Oregon City	OR	IT Audit and Strategic Plan	Sep-20	Mar-21
City of Lapeer	MI	IT Audit	Jul-20	Present
Toho Water Authority	FL	IT Master Plan	Mar-20	Oct-20
State of Washington Dept Natural Resources	WA	IT Audit	Jan-20	Jun-20
Milwaukee County Airport	WI	IS Strategic Plan	Dec-19	Present
Town of Hilton Head Island	SC	IT Audit	Nov-19	May-20
County of Garfield	CO	IT Audit and Strategic Plan	Sep-19	Mar-20
City of Independence	MO	IT Audit	Jul-19	Dec-19
Coldwater Board of Public Utilities	MI	IT Organizational Audit	May-19	Oct-19
County of Kent	MI	IT Organizational Audit	Mar-19	Sep-19
Las Vegas Convention and Visitor's Authority (LVCVA)	NV	IT Organizational Audit	Mar-19	Aug-19
City of Wayne	MI	IT and Cybersecurity Audit	Mar-19	Jun-19
State Bar of Michigan	MI	IT Audit	Feb-19	Apr-19
County of Forsyth	GA	PMO Audit	Feb-19	Mar-19
City of Bend	OR	IT Organizational Review	Aug-18	Dec-18
St. Lucie County Property Appraiser's Office	FL	IT Audit	May-18	Aug-18
County of Lee	FL	IT Sourcing Selection	Jan-18	May-19
Washtenaw County Road Commission	MI	IT Organizational Staffing Audit	Dec-17	Apr-18
County of Hamilton	OH	IT Planning for Metro Sewer District Transition	Aug-17	Aug-18
City of Taylor	MI	IT Infrastructure Audit	May-17	Oct-17
Padre Dam Water District	CA	IT Strategic Plan	Apr-17	Sep-17
Charter Township of Redford	MI	IT Audit	Feb-17	Jun-17
County of Adams	CO	IT Staffing Requirements Analysis	Jan-17	Jun-17

Cybersecurity expertise



Cybersecurity and privacy experience: Having conducted numerous penetration testing, cybersecurity, IT security control, and IT regulatory compliance engagements for clients similar to the City, we have the experience and the knowledge to assist the State with evaluating IT risk and compliance with regulation requirements.



Experienced project team: Our team has the required expertise and relevant certifications, including CISA, CISSP, CPA, CFE, and QSA.

As you consider consulting firms, we understand that you want to identify a firm to partner with that understands technology security risk and compliance and has experience in working with similar public sector clients. Our deep bench of cybersecurity professionals, public sector industry consultants, and other technical specialists offer relevant experience and insights, as well as deep technical expertise, to increase your overall return on investment.

Our security team provides a variety of solutions to public sector clients, including:

- IT risk and internal control Audits
- Baseline network security Audits (layered approach: internet, firewall, network, etc.)
- Business process/application security and control reviews
- Security planning, including the development of security strategies and plans, policies, procedures, and training
- Adherence to compliance-related issues, such as PCI Data Security Standards, HIPAA, GLBA, and Red Flag
- Network security Audit and penetration studies
- Business continuity and disaster recovery planning

Plante Moran's cybersecurity consulting group has performed a variety of security-related projects related to assessing and remediating risks for organizations' externally facing networks. Additionally, we have provided key risk Audit services for clients in both the public and private educational sectors. Our risk and compliance Audits have proven to aid organizations in prioritizing IT resources, developing audit plans, and assessing control gaps. Our experiences include the following environments:

- | | |
|---|--------------------------|
| • Governmental organizations and agencies | • Healthcare |
| • Higher education | • Financial institutions |
| • Other public sector entities, such as utility companies | • Hosted data centers |
| | • Service organizations |

Plante Moran has been providing cybersecurity consulting services to various industries for more than 30 years, and we have become intimately familiar with issues facing our clients through these engagements, which include the following types of IT projects:

- | | |
|---|--|
| • Security risk Audits | • IT operational Audits |
| • Network security Audits | • IT Audits and strategic plans |
| • IT security audit and compliance | • System selection and implementation management |
| • IT organization and governance Audits | • IT contract negotiations |

Cybersecurity services

Plante Moran can assist with the following:



Cyber assessment

- IT audits
- Risk assessments
- ERP security & controls
- Cloud security
- User access reviews
- Privacy compliance
 - HIPAA, GLBA, GDPR, CCPA
- General controls review
 - Access, physical, operational controls
- Application controls assessment
 - SAP, ORACLE, PeopleSoft, QAD, Plex, Epicor



Cyber assurance

- Readiness assessments
- SOC 1, SOC 2, SOC 3
- SOC for cybersecurity
- SOC for supply chain
- PCI DSS certification
- HITRUST certification
- ISO27001 Security Standards certification



Cyber lab

- Physical lab environment
- Network security assessments Vulnerability scans
- Web/mobile security
- Malware testing
- Red/blue team exercises



Cyber advisory

- Seven-point cybersecurity assessment
- Cyber strategy
- Frameworks
- NIST, CIS Top 20
- Cyber PMO
- Risk analysis
- Business continuity plans (BCPs), disaster recovery plans (DRPs)
- Cyber incident response planning
- CyberKPI & dashboards



Cyber solutions

- Solution selection & integration Custom dashboards
- GRC tools
- Identity management
- Mobile/device management
- Threat intelligence
- End-point security
- IDS/IPS
- SIEM tools



Cyber forensics

- Comprehensive six-step incident management process
- Prepare summary report and detailed findings report

E. Data analytics/continuous monitoring

Analytics services

When it comes to analytics and business intelligence, data is only one piece of a complicated puzzle. We go beyond the numbers to take a holistic view of your organization, drawing on the collective power of our firm to assemble the best team for your specific analytics needs.



Analytics advisory



- Strategy and roadmap
- Analytics assessment
- Solution architecture
- Software selection and implementation
- Project and change management

Analytics operations



- Technical and end-user training
- Support and maintenance
- Software optimization
- Upgrades
- Renewals

Data management



- System integration
- Data migration/conversion
- Data warehouses and repositories
- Master data management

Data governance



- Data quality
- Metadata management
- Data catalogs
- Business glossaries

Business intelligence



- Data discovery and visualization
- Report development
- Reporting services transformation
- KPI dashboards and benchmarking

Data analytics



- Advanced analytics
- Data science
- Industry-specific solutions

Performance analytics



- Industry-specific accelerators
- Integrated business planning and forecasting
- Financial and operational decision support modeling

Plante Moran Analytics Center of Excellence

Organizations have access to more data than ever before, but it has become increasingly challenging to generate action. The complexity of drawing actionable insight from larger, disparate data sources often stands in the way of making better, data-driven decisions. With advanced analytics capabilities and business intelligence experience, Plante Moran's Analytics Center of Excellence works closely with industry experts in our IT consulting practice to help organizations address the unique challenges they face when gaining value from their data.

Plante Moran's Analytics Center of Excellence helps organizations that don't know where to begin investing in business intelligence and data analytics:

- Build an internal data analytics capability.
- Develop an analytics business case and roadmap.
- Identify analytics opportunities and risks around people, process, and technology.
- Foster a data-driven organizational culture.

Our Data Analytics Assessment Framework is a holistic approach that evaluates the effectiveness of the organization's data management processes and data analytics capability. Our methodology focuses on identifying the root causes of challenges that limit the organization's ability to gain the greatest value from its data.

Industry insights and advice

We will keep you updated on industry changes. Here are just a few examples:

Government digital transformation: Innovate to advance your mission READ MORE 	Public sector data analytics: Leverage data to make better decisions READ MORE 	How the public sector is waking up to the power of data analytics READ MORE 
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How did Plante Moran help the State of California? View the short video and press releases that describe the solution and its potential impact on homelessness in the state of California.

This video describes the solution and its potential impact on homelessness in California WATCH VIDEO 	State of California: Tech companies work with State on homeless data integration system READ MORE 	Plante Moran supports State of California homelessness data integration system to prevent and end homelessness READ MORE 
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F. Risk assessment and audit plan development

Plante Moran's Risk & Accounting Advisory Services management consulting team believes risk is everyone's responsibility. From internal fraud to cyberattacks, the State's Entities are at risk every day. For governmental entities, these risks don't just have a financial concern; they also impact those they're there to protect: their constituents. We can help the State's eligible Entities identify these risks through our comprehensive risk assessment processes and proactive approach to safeguard against daily threats. When it comes to people, process, and technology, our collaborative model brings together all stakeholders to bridge silos and effectively manage risk and strengthen the State's Entities. We know and understand their day-to-day expectations and where risk is most prevalent.

Also, a well-designed internal audit function can give the State's Entities the information they need to manage risk, contain costs, strengthen their control environment, and achieve their business objectives. In addition, collaboration with internal audit service providers is essential for most internal audit functions. Regulations require organizations to make up for any gap in their internal resource skills by hiring external support, meaning that the level of involvement from external service providers can vary.

Our specialists understand the need to balance risk, cost, and value. Our internal audit process goes beyond the basics. We challenge existing ideas and procedures and offer insights and recommendations to improve efficiencies and manage risks to, ultimately, help increase the State's Entity's performance.

Balancing risk and cost

Not only will our internal audit work help identify ways to drive cost efficiencies across the State's Entities, but our efforts will also be cost-proportionate to their level of risk. Our experts will implement audit techniques appropriate for the various State's eligible Entities while also maximizing the use of technology to streamline the process.

We will create a culture of continuous improvement by compressing cycle times and leveraging data analysis throughout your audit engagements. Our specialists will combine key performance and risk indicators into an easy-to-understand risk dashboard to simplify the monitoring of your internal control environment. This risk dashboard provides timely, actionable information in an understandable format. With this increased visibility and transparency, the State Entity's leadership team will have the information to make better, more informed decisions.

Industry insights and advice

We will keep you updated on industry changes. Here are just a few examples:

Lean into risk: Break barriers to opportunity and growth

[READ MORE](#)



The dozen accounting controls all organizations need

[READ MORE](#)



Turn risk into opportunity: Five questions to ask

[READ MORE](#)



G. Financial audit

Our experienced consultants are prepared to help you achieve key business objectives surrounding a financial audit and financial transformation to the State and its Entities. We have covered our internal audit services and capabilities in previous sections for internal audit.

H. Accounting and financial services

We will begin our partnership with the State's Entity by identifying its distinct accounting needs and structure our services to address them. Our accounting consultants will quickly become a seamless extension of its key functional areas, providing the expertise to support its mission.

How we help:

- **Accounting support** – Our experienced team will meet your accounting needs for a variety of services but not limited to: bank reconciliations, accounts payable/accounts receivable, month-end close, audit preparation, financial reporting support, budget creation and amendments, financial presentations, and overall general ledger oversight. Staffing roles include accountant, analyst, controller, and finance director.
- **Cloud-based systems** – Our accounting consultants use cloud-based systems, so you always have access to accurate, real-time information. These systems include on-line bill pay to ensure your vendors are paid timely and effectively.
- **Financial transformation** – We work with you to review current processes, risks, and internal controls, and then provide best practice suggestions for improvement to further enhance efficiency and effectiveness.
- **Financial planning and analysis** – We develop tools that you can leverage for long-term value, from forecasting, budgeting and cash flow projections, to reporting function development.
- **Special projects** – The breadth and knowledge of our specialized team is available to you as unique and unforeseen needs arise to help you navigate them successfully.
- **Communication** – We present financial information (monthly reports, budgets, audit results, etc.) to Board/Councils, Committees, management, and other users as needed.

Our service management approach

Our expertise establishing workplans, managing tasks to goals and objectives, and resolving issues means services are delivered timely. Our phased approach includes discovery, triage, transformation, and maintenance to consistently deliver high quality and accuracy.

Your organization gains:

- **Expertise** – Our team members have an average 15 years' experience and possess numerous certifications (such as AAP, CPA, MSA, MBA, and CFE).
- **Collective power of the firm** – You receive direct access to the breadth and depth of the firm's resources, including technical, industry, and consulting expertise. We currently serve over 1,700 public sector clients.
- **Freedom from hiring, training, and retaining staff** – You can contract or expand resources as needed. For some clients, having our support can eliminate the need to invest in office space, hardware, or software.
- **Real-time access to information** – Cloud-based access to current information improves your decision-making support and offers an accurate, holistic picture of all financials, anytime.
- **Flexibility and accounting platforms** – You can continue to use your accounting system or one of our platforms to best meet your needs.
- **Greater focus and productivity** – Our resources, processes, technology, and expertise let you focus on what matters most to your organization.

Outsourced accounting and financial services menu

The ABC's of our service: Audit preparation, budget, and controllership



Audit preparation

- Perform annual year-end close of accounting records
- Audit workpaper preparation
- Audit process facilitation
- External compliance reporting
- Deficit elimination plan creation
- New GASB implementation



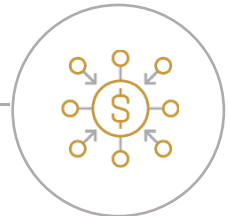
Budget

- Historical budget analysis
- Community education
- Budget process facilitation
- Budget renovation
- Budget document creation
- Budget monitoring and periodic internal reporting
- Budget amendment creation



Controllership

- Preparation of monthly bank reconciliations
- Monthly accounting reconciliations
- Perform month-end close of accounting records



Other services provided:

- Business process evaluation and transformation
- Cash flow analysis and management
- Chart of accounts redesign
- Utility rate setting
- Perform accounting transaction function: accounts payable, accounts receivable, payroll
- Other special projects

Industry insights and advice

We will keep you updated on industry, legislative, and regulatory changes. Here is an example of thought leadership:

Outsourced accounting services: What every government agency needs to know

[READ MORE](#)



I. Managerial advisory services

Operational optimization: Positive and sustainable change to improve your operations



Governmental entities must continue to do more with less: provide new services, speed up turnaround times, and improve accuracy and customer experience. Current workflows, workarounds, and inefficient management structures won't help your organization move forward. Even the best-run governments face the realities of revenue shortages, rising costs, and pressures to provide higher service levels.

Operational optimization means making positive and sustainable changes to improve service and reduce cost, variability, and risk. Our team of specialists understand the structural, financial, and organizational issues you face. We will take a holistic look at your operations to improve the integration of people, processes, and technology.

Optimization for the future

Our experts will work with your organization to understand your concerns and challenges.



Cost efficiencies

- Are costs rising higher than you expected?
- Do your cost-saving measures harm your constituents more in the long run?
- Are your processes efficient and effective?
- Are your projects on time and on budget?



Innovation

- Are you adaptable to changing constituent demands?
- Are you aware of best practices and new service delivery models?
- Do your core technologies adequately support business operations?



Organizational Alignment

- Is your organization top-heavy?
- Do your departments work well together to address common constituent needs?
- Are your staffing levels adequate?
- Are staffing resources allocated to the appropriate departments for maximum efficiency?

A customized approach

Our consultants will tailor our solutions to your specific needs. Our key services include:



Process improvement

- Streamline process to eliminate unnecessary activities so that your staff can accomplish more in less time.



Policy analysis

- Evaluate how key service changes or revenue enhancements may impact constituents.



Governance

- Redesign your organizational structure so that decisions are made at the right level.



Organizational alignment

- Strategically identify how departmental goals and activities can better support desired outcomes.



Staffing analysis

- Determine whether your staffing count for achieving operational excellence



Performance audit

- Test your compliance with organizational policies to identify opportunities for operational improvements.



Project management

- Act as your agent to coordinate internal and external resources to ensure key projects are completed on time and on budget.

Industry insights and advice

We will keep you updated on industry changes. Here are just a few examples:

Need to stretch your budget? Try robotic process automation

[READ MORE](#)



Public sector tech trends: A modernization guidebook

[READ MORE](#)



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.

Customer reference form



ATTACHMENT E: CUSTOMER REFERENCE TEMPLATE

Solicitation #: DPC-646236801-MT
Vendor Name: Plante & Moran, PLLC

TOWN OF CARY, NC

CONTACT INFORMATION

Kimberly Branch, Finance Director
1701 Mountain Industrial Boulevard
316 North Academy Street
Cary, NC 27512
919-469-4048
kimberly.branch@carync.gov

Start date: 8/2020
End date: 2/2021

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Enterprise Risk Assessment and Process Documentation:**
Plante Moran performed an initial enterprise risk assessment of the Town's existing internal control structure and make control recommendations where gaps were identified. We compiled a resulting risk and control matrix to illustrate the results of this assessment and performed subsequent testing to ensure controls identified during initial interviews were designed appropriately. The scope of the assessment was Town-wide and included finance, information technology, and human resources. Following the assessment, we compiled flow charts and narratives detailing major processes in the Town.

Following the performance of this work, the Town implemented a new enterprise resource planning system, which prompted changes to various processes and controls. As a result, we have been engaged to update process flows that were previously created and perform additional control testing, which remains ongoing.

ATLANTA PUBLIC SCHOOLS, GA

CONTACT INFORMATION

Connie Brown
Executive Director – Internal
Compliance
130 Trinity Avenue
Atlanta, Georgia 30303
404-802-2735
connie.brown@atlanta.k12.ga.us

Start date: 1/2023
End date: Present

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Co-Sourced Internal Audit Services:** Plante Moran serves the District by performing an internal audit risk assessment and developing an internal audit plan for the school district. Key stakeholders were surveyed through a risk assessment survey to establish a risk impact and likelihood baseline measurement. Plante Moran facilitated interviews with Executive Leadership to identify root-cause drivers for risk events, existing risk reduction practices, and areas to strengthen risk mitigation. Also, Plante Moran analyzed risk assessment findings, documented current state risk mitigation activities, and recommended internal audit procedures. Additionally, Plante Moran utilized the risk assessment findings to execute an internal audit plan for the subsequent year based on potential gaps and areas requiring stronger risk mitigation.

DEKALB COUNTY SCHOOL DISTRICT, GA

CONTACT INFORMATION

Joel Thibodeaux, Director – Internal
Audits and Compliance
1701 Mountain Industrial Boulevard
Stone Mountain, GA 30083
678-438-6887
joel_b_thibodeaux@dekalbschoolsga.org

Start date: 8/2020
End date: Present

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Co-Sourced Internal Audit Services:** Plante Moran has served the District in multiple capacities. Currently, we are performing an audit over Special Purpose Local Option Sales Tax funding for the District. This involves inspecting project spend and its related business purposes. Additionally, the team performed analytical procedures to identify potentially inappropriate transactions. Previously, the firm has assisted the District in performing risk assessment procedures to assist in audit plan development as well as ERP change readiness assessment services.

CITY OF GAINESVILLE, FL

CONTACT INFORMATION

Brecka Anderson, CIA, CFE; Assistant
City Auditor
200 E. University Avenue
Gainesville, Florida 32601
352-393-8875
andersonbh@gainesvillefl.gov

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Co-Sourced Internal Audit:** Plante Moran performed co-sourced internal audit services, assisting with a review of the City's public records request process. We performed initial engagement scoping and developed audit procedures, conducted interviews with management and stakeholders, and performed sample-based testing to address identified risks. Findings and overall results were communicated to the City in an all-encompassing report.

Start date: 9/2022
End date: 11/22

TeamMate was also utilized for this particular engagement.

Following the completion of this work, we also performed scoping and audit planning for a separate engagement, drawing upon our relationship-building with the City.

COUNTY OF MIAMI-DADE, FL

CONTACT INFORMATION

Leany Perez, Assistant Controller
111 NW 1st Street
Miami, FL 33128
305-375-5245
leany.perez@miamidade.gov

Start date: 7/2020
End date: 9/2021

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Internal Control and Segregation of Duties Review:**
Plante Moran performed a process review to develop an internal control framework for the County upon implementation of a new ERP system. We identified gaps in the process and recommendations for internal control implementation. In addition, we performed an analysis of the County's user-role security using a proprietary tool to identify the segregation of duties conflicts within and between user roles. Following conflict identification, we were engaged to assist the County with a resolution of segregation of duties conflicts.

Following the segregation of duties conflict identification, we were engaged to lead remediation efforts and subsequent control testing, which remains ongoing.

COUNTY OF KENT, MI

CONTACT INFORMATION

Chad Coffman, Community Development
Program Manager
Stephen Stratton, Financial Supervisor
121 Martin Luther King Jr. Street
Suite 110
Grand Rapids, MI 49507
616-632-7950
chad.coffman@kentcountymi.gov
stephen.stratton@kentcountymi.gov

Start date: 4/2022
End date: Present

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **HUD CPD Grant Programmatic Subrecipient Monitoring:**
Plante Moran is currently serving the County by performing programmatic and financial monitoring of the County's CDBG, ESG, HOME Investment Partnerships, and Continuum of Care grant subrecipients. Plante Moran designed a monitoring program to ensure each subrecipient was in compliance with the Uniform Guidance, HUD-specified criteria, and subrecipient agreement requirements. We also performed risk assessments to evaluate individual program risk and to determine the extent of required testing. All work executed has been completed within the required budget and timeframe.

References for investigative services

Due to the confidential and legal nature of our projects, we are typically engaged by our clients' attorneys to maintain attorney work product protection, and, therefore, we are not authorized to release the names of those clients, including governmental clients. However, the **following are some examples of cases whereby the client has given us permission to discuss the details of our investigation and offered themselves as a reference.**

THE OFFICE OF HAWAIIAN AFFAIRS

CONTACT INFORMATION

Mr. Everett Ohta, General Counsel
560 N. Nimitz Highway,
Suite 200
Honolulu, HI 96817
808-594-1988
everetto@oha.org

Start date: 1/2022
End date: 12/2022

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Case summary:** The Office of Hawaiian Affairs ("OHA") is a semi-autonomous state agency that is primarily responsible for bettering the conditions of Native Hawaiians. We were engaged to analyze 38 transactions totaling over \$10 million to determine if evidence of fraud, waste or abuse was present, as defined by the Hawaii State Ethics Committee. Through background research, email analysis, review of supporting documentation, and interviews, we identified evidence that fraud, waste, or abuse existed for transactions involving \$7.4 million.
- **Results to date:** Our report was released by OHA to the public and is, therefore, available for reference. It is our understanding this information has been provided to law enforcement for further investigation

CITY OF LANSING, MI

CONTACT INFORMATION

Mr. Jim Smiertka, City Attorney
10th Floor City Hall
124 West Michigan
Lansing, MI 48933
517-483-4320
cityatty@lansingmi.gov

Start date: 1/2019
End date: 1/2020

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Case summary:** We were engaged by the City of Lansing, Michigan to investigate potential conflicts of interest and misappropriation of assets. The Department of Housing and Urban Development (HUD) informed the City of a potential conflict of interest involving a department head and their approval/use of grant dollars. We performed extensive public record and background research, interviews, data analytics on accounting information, analysis of financial documents (e.g., contracts, invoices, bank statements, etc.), and social media/online research. We prepared a written report which was released by the City to the public.
- **Results to date:** Our analysis confirmed the conflict referenced by HUD and detailed how the department head funneled over \$1,000,000 to 501(c)(3) entities they and their immediate relatives controlled; requested and approved their own transactions; did not disclose their conflicts; diverted City funds and resources to cover operational expenses for their 501(c)(3)'s; and potentially misappropriated assets by using the 501(c)(3)'s to pay for personal expenses. Our findings were provided to the Attorney General, who referred the matter to the FBI. It is our understanding this matter is still under investigation

CITY OF LYNN HAVEN, FL

CONTACT INFORMATION

Ms. Vickie Gainer, City Manager
3119 U.S. Highway 231 S.
Panama, FL 32405
850-248-0612
vgainer@cityoflynnhaven.com

Start date: 1/2019
End date: 1/2020

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Case summary:** We were engaged by the City of Lynn Haven to investigate several key personnel, including the former City Manager, as they learned of an FBI investigation related to the diversion of federal grant funding (FEMA) intended for Hurricane Michael clean-up efforts. Our analysis included data analytics, interviews, and review of invoices for anomalies. Our initial scope was to identify additional, unknown problematic transactions beyond those identified by the FBI, if any.
- **Results to date:** All five individuals charged pled guilty. In addition, the City engaged us for an additional investigation that includes an analysis of debris clean-up invoices paid directly by the City as they pursue recovery from their insurance carrier.

THE COLUMBUS ZOO / PORTER WRIGHT MORRIS & ARTHUR LLP

CONTACT INFORMATION

Mr. Fred G. Pressley, Jr.,
External Counsel
4850 W Powell Road
Powell, OH 43065
614-227-2233
fpressley@porterwright.com

Start date: 1/2021
End date: 1/2023

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Case summary:** We were engaged after a whistleblower contacted the Columbus Dispatch, alleging misuse of Zoo funds by top executives for personal gain. We substantiated the allegations through our investigation and identified over \$630,000 of losses incurred by the Zoo due to transactions directed by the former CEO, CFO, Director of Marketing, and Director of Purchasing. These purchases included concert tickets, sporting events, and golf club memberships, among other items.
- **Results to date:** The Zoo has settled its civil claims with the former executives. It is our understanding this information has been turned over to the Attorney General for further investigation.

GRAND HAVEN AREA SCHOOLS / THRUN LAW FIRM, P.C.

CONTACT INFORMATION

Mr. Dan Martin, External
Counsel
3260 Eagle Park Drive, NE Suite
121
Grand Rapids, MI 49525
616-588-7702
dmartin@thrunlaw.com

Start date: 1/2022
End date: 12/2022

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Case summary:** We were engaged by Counsel for Grand Haven Area Schools to investigate a potential billing scheme allegedly perpetrated by its Assistant Superintendent of Technology. We performed background research, data analytics, analysis of invoices, extraction and analysis of accounting information, and interviews. In addition, we obtained a forensic image of the individual's computer. Through our analysis, we determined the district incurred losses exceeding \$1 million due to unauthorized payments to fictitious and/or related-party companies for work not performed. We identified payments indicating a kickback

scheme from the related-party vendors to the individual via Cash App using our forensic image of the individual's computer.

- **Results to date:** We provided our analysis to law enforcement and the district's insurance carrier. The individual was criminally charged but subsequently passed away while in custody. It is our understanding the insurance claim is ongoing while there is parallel civil litigation in attempts to recover additional losses.

VILLAGE OF WEBBERVILLE, MI / SCOTT J. GOULD, ATTORNEY AT LAW

CONTACT INFORMATION

Mr. Scott Gould., External Counsel
114 E. Main Street, Suite 218
Owosso, MI 48867
989-729-0071
gouldlaw@outlook.com

Start date: 1/2022

End date: 1/2023

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Case summary:** After it was discovered that the cash reported in the client's accounting system did not reconcile to the cash reported on the bank statements, we were engaged to investigate the discrepancies. Our initial scope included an analysis of transactions to identify and quantify schemes involving cash larceny and cash skimming. Through data analytics, we discovered an additional scheme involving unauthorized payroll issued by the perpetrator to themselves. We concluded our fieldwork by interviewing the subject alongside law enforcement, during which we obtained a confession to both schemes. We quantified total losses at nearly \$100,000.
- **Results to date:** Our analysis was provided to law enforcement, which leveraged our work to pursue criminal charges. This matter is currently pending with the subject recently waiving their preliminary exam hearing. In addition, our client utilized our report as their proof of loss for their insurance claim. Last, our firm assisted the client in establishing new controls to reduce the risk of the activity re-occurring in the future.

WRIGHT STATE UNIVERSITY / DINSMORE & SHOHL, LLP

CONTACT INFORMATION

Mr. D. Michael Crites, Of Counsel
191 W. Nationwide Boulevard, Suite 200
Columbus, OH 43215
614-628-6934
michael.crites@dinsmore.com

Start date: 1/2015

End date: 1/2017

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Case summary:** After Wright State University was notified of a potential federal investigation, we were engaged by Dinsmore & Shohl, LLP to assist the University in researching whether problematic activity had occurred. Our initial scope included an analysis of activities directly related to the federal investigation, in addition to performing data analytics on other disbursement activity. Our scope was subsequently expanded as our analytics yielded numerous anomalies. We performed multiple interviews; analyzed hundreds of invoices; performed background, internet, and social media research on vendors and affiliated entities; and analyzed payroll and accounting information. Our analysis included multiple problematic findings. Many of our findings were released to the public via the Dayton Daily News, as the

board authorized the public release of our written report. In addition to the written report, we presented our findings at multiple board meetings and to multiple Ohio agencies, including the offices of the Ohio Auditor of State and the Attorney General.

- **Results to date:** Our findings were turned over to the state and federal authorities who pursued various legal remedies. Federal criminal charges were filed against at least one organization.

References for information systems audit services

CITY OF SUNNYVALE, CA

CONTACT INFORMATION

Mr. Eddie Soliven, IT Manager
650 W. Olive Avenue
Sunnyvale, CA 94086
408-730-3044
esoliven@sunnyvale.ca.gov

Start date: 1/2019

End date: 1/2020

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **IT Security & Infrastructure Audit:** Plante Moran performed an IT Security Audit in order to identify potential improvement opportunities or weaknesses within the City's information security architecture, which included 13 remote sites. The IT Security Audit focused on security posture around the risks to data confidentiality, integrity, and availability through an evaluation of people, processes, technology, and related IT security controls.
- **Project:** The project included internal and external penetration testing and vulnerability Audit, technology and infrastructure review, and physical and security policy reviews.

ORANGE COUNTY, CA

CONTACT INFORMATION

Mr. Phillip Daigneau,
Director Information
Technology
Auditor Controller, County of
Orange
333 W. Santa Ana Boulevard
Santa Ana, CA 92701
714-834-6277
phillip.daigneau@ac.ocgov.com

Start date: 6/2013

End date: 6/2014

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **IT and Network Security Risk Audit:** Orange County retained Plante Moran to review and assess IT general controls supporting the County's financial ERP system, CAPS+, and other ancillary systems and databases maintaining sensitive data. The objectives for our review included an evaluation of areas of technology risk within the current IT process and activities performed by the County's Auditor-Controller Information Technology (A-C/IT) department as well as the associated infrastructure controls maintained by the CEO/Information Technology (CEO/IT) department.
- **Project:** Our audit identified opportunities for process and control improvement as well as recommendations to reduce risk for areas assessed as high risk to the County. The risk audit focused on identifying and evaluating IT general, network security, and CAPS+ security controls implemented to mitigate potential threats.

CITY OF TACOMA, WA

CONTACT INFORMATION

Mr. Michael San Soucie
Treasury Manager
Tacoma Municipal Building
747 Market Street
Tacoma, WA 98402
253-591-5088
msansoucie@cityoftacoma.org

Start date: 1/2018
End date: Present

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **PCI Audit and Penetration Testing Services:** Assisted the City of Tacoma in identifying all business processes involving the use of cardholder data.
- **Project:** Determined the scope of compliance and provided recommendations to reduce PCI DSS scope and related compliance costs. Provided internal vulnerability scanning services, and penetration testing. Performed a PCI DSS Audit for both merchant and service provider resulting in an Attestation of Compliance. Provided ongoing support to help ensure compliance is maintained year-to-year by establishing a cyber compliance plan for the City's PCI compliance program.

STATE OF OHIO DEFERRED COMPENSATION

CONTACT INFORMATION

Mr. Jason Chang, IT Manager
614-466-7245
88 E. Broad Street
Columbus, OH 43216
jchang@ohiodc.org

Start date: 1/2019
End date: 1/2020

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Comprehensive Security Audit:** A comprehensive security Audit that included external and internal network penetration testing, quarterly network vulnerability scanning, a web application security Audit, and a source code review of their participant portal to identify vulnerabilities and recommend appropriate safeguards to enhance Ohio Deferred Compensation's (Ohio DC's) overall security controls.
- **Project:** Services included:
 - ◆ External (internet) network penetration testing
 - ◆ Internal network penetration testing
 - ◆ Network vulnerability audit
 - ◆ Web application security audit
 - ◆ Source code security review

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

CONTACT INFORMATION

Ms. Nicole Cummings,
Executive Director
Information Technology
3011 West Grand Boulevard
Detroit, MI 48202
313-873-7445
nicole.cummings@detroitk12.org

Start date: 1/2019

End date: 1/2020

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Network Vulnerability Audit:** Plante Moran performed an independent security Audit to identify potential threats and vulnerabilities that could compromise the confidentiality, integrity, and availability of information assets.
- **Project:** The vulnerability scanning, and Audit procedures leveraged technology to identify specific threat vectors within the organization, summarize critical and high vulnerabilities identified, and validate and filter the scan results.

References for data analytics/continuous monitoring services

STATE OF CALIFORNIA: BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY ("CA BCSH")

CONTACT INFORMATION

Ms. Abegail Aquino, Information
Technology Manager I
500 Capitol Mall, Suite 1850
Sacramento, CA 95814
916-653-4090
abegail.aquino@bcsh.ca.gov

Start date: 11/1/2020

End date: Current client

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Scope of work:** Plante Moran provided a solution that is capable of scaling to support the entire state, but also was able to start off small to support a limited number of users and data volumes. Our primary focus was on methodology and best practices to ensure data integrity, a solid solution and data architecture, documentation capable of allowing the solution to be handed off, end user training and support, and we leveraged an agile methodology that enabled us to deliver MVP quickly and continues to drive additional enhancements.
- **Description of project:** Plante Moran won a highly competitive RFP from BCSH to create a data warehouse merging all 44 Continuums of Care (CoC) facilities using Informatica and Snowflake software to merge, match and cleanse records being deployed on Amazon Web Services (AWS) and reported out to the world via Tableau software. See press release links below and public reporting for all homelessness in the State of California below. The Plante Moran delivery team consisted of partner oversight, developers, software installers, business analysts, BI report writes, security consultant, project manager, and managed IT support team. Plante Moran delivered the first phase in 14 weeks. This was an extremely tight timeline and was on time.
 - ♦ Click [this link](#) for the CA BCSH press release
 - ♦ Click [this link](#) for the Plante Moran's press release
 - ♦ Click on [this link](#) and scroll down to the bottom and click on the "learn more" links to interact with Tableau public facing reports where the data is being feed from the warehouse.

STATE OF COLORADO: GOVERNOR'S OFFICE OF INFORMATION TECHNOLOGY

CONTACT INFORMATION

Mr. Brian Rohde, OIT Tableau
Server Administrator
303-945-9338
brian.rohde@state.co.us

and

Mr. Milo Knezevic, Director of
Data Operations
480-250-0650
milo.knezevic@state.co.us

1575 Sherman Street
Denver, CO 80203

Start date: 4/2023

End date: 7/2023

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Scope of work:** Tableau Implementation Assessment and Mentoring – June 2023
 - ♦ Plante Moran provided comprehensive mentoring services aimed at upskilling staff on technical proficiencies and ensuring continuous enhancement of systems and processes pertaining to Tableau Server Administration. The team of consultants demonstrated their expertise by offering support to OIT team members in handling technical challenges, providing configuration assistance, managing system upgrades and platform migrations, and delivering valuable application support.
- **Description of project:** The Tableau Server examination conducted by Plante Moran encompassed a thorough analysis of Tableau Server architecture configurations, workflows, and security measures. Additionally, they assessed how the Office of Information Technology (OIT) effectively supported agencies with their Tableau Server instances.

As an integral part of the project, Plante Moran consultants carried out a comprehensive Tableau Needs assessment to explore and identify opportunities for enhancing the success of agencies in utilizing Tableau services. This assessment involved interviewing various agencies, gathering their valuable feedback, and distilling it into insightful recommendations to develop an improved and refined analytic service model.

The final report produced by Plante Moran encapsulated the collective insights from the agencies interviewed, and it presents well-founded recommendations that can guide the implementation of an enhanced analytic service model. Through their dedication and expertise, Plante Moran has proven to be a valuable partner in driving innovation and efficiency in Tableau Server Administration, empowering organizations to leverage Tableau's capabilities to their fullest potential.

Reference accounting and financial services

CITY OF WAYNE, MI

CONTACT INFORMATION

Ms. Lisa Nocerini, City Manager
3355 S. Wayne Road
Wayne, MI 48184
734-722-2001
lnocerini@ci.wayne.mi.us

Start date: 12/4/2014

End date: Current client

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Scope of work:** Budget, monthly accounting, and audit prep
- **Description of project:** Plante Moran assisted the City monthly to complete their accounting needs. We assist in managing the budget process and audit process. In addition, we complete many elements of the budget and audit schedule preparation.

CITY OF NEW BALTIMORE, MI

CONTACT INFORMATION

Ms. Marcia Shinska, Certified
Municipal Clerk/Chief Elections
Officer
36535 Green Street
New Baltimore, MI 48047
586-725-2151 x 108
mshinska@cityofnewbaltimore.org

Start date: 1/1/2001

End date: Current client

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Scope of work:** Budget, monthly accounting, and audit prep
- **Description of project:** Plante Moran assisted the City monthly to complete their accounting needs. We assist in managing the budget process and audit process. In addition, we complete many elements of the budget and audit schedule preparation.

CITY OF MILAN, MI

CONTACT INFORMATION

Ms. Sarah Finch, Treasurer
734-439-150
147 Wabash
Milan, MI 48160
sarahf@milanmich.org

Start date: 11/19/2014

End date: Current client

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Scope of work:** Budget, monthly accounting and audit prep
- **Description of project:** Plante Moran assisted the City monthly to complete their accounting needs. We assist in managing the budget process and audit process. In addition, we complete many elements of the budget and audit schedule preparation.

CITY OF MOUNT CLEMENS, MI

CONTACT INFORMATION

Mr. Gregg Shipman, Interim
City Manager
One Crocker, Boulevard
Mount Clemens, MI 48043

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Scope of work:** Budget, monthly accounting, and audit prep
- **Description of project:** Plante Moran assisted the City monthly to complete their accounting needs. We assist in managing the

586-469-6800 x315
gshipman@mountclemens.gov

budget process and audit process. In addition, we complete many elements of the budget and audit schedule preparation.

Start date: 3/14/2018
End date: Current client

CITY OF FERNDAL, MI

CONTACT INFORMATION

Mr. Philip Whitfield, Finance
Director
300 E. Nine Mile Drive
Ferndale, MI 48220
248-546-2377
pwhitfield@ferndalemi.gov

Start date: 9/4/2013
End date: Current client

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Scope of work:** Audit prep assistance
- **Description of project:** Plante Moran assists the City with the preparation of their audit workpapers.

References for managerial/advisory services

STATE OF ILLINOIS TREASURER'S OFFICE

CONTACT INFORMATION

Mr. Michael W. Frerichs, State
of Illinois Treasurer
Capitol Building
219 State House
Springfield, IL 62701
866-458-7327

Start date: 1/2015
End date: 12/2015

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Scope of work:** Reviewed various organizational functions including overall organizational structure, technology, internal controls, and investment policies/ controls.
- **Description of project:** Our consulting team brought to the State's attention several internal audit findings that had not been addressed by the previous administration and recommendations to enhance the operations of the Office. Recommendations included a restructuring of the organization around core business functions, implementing techniques to track productivity and quality, developing an overall IT strategic plan, and instituting mechanisms to ensure follow-through on future internal audit findings.

CITY OF DETROIT, MI

CONTACT INFORMATION

Ms. Alvin Horhn, Deputy CFO/
Assessor
2 Woodward Avenue
Detroit, MI 48226
313-224-3035
horhna@detroitmi.gov

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Scope of work:** Under the order of the Michigan State Tax Commission, the City is required to conduct a citywide reappraisal for the first time in over fifty years. This includes confirming and/ or correcting all data characteristics on all 340,000 real properties in the City and then placing a value on those properties for taxation purposes.

Start date: 1/2013
End date: 1/2014

- **Description of project:** Based on Plante Moran's recommendations, the City is approaching this project using innovative remote data gathering techniques including aerial photography, street view imagery, property record card digitization, remote data verification, and strategically sourcing certain Assessing functions. The City retained Plante Moran to manage the implementation of this project. Concurrently, Plante Moran advised Assessing a department-wide reorganization so that the department is positioned to maintain property records into the future.
 - ◆ Please click on [this link](#) to learn more about our work.

CITY OF PHILADELPHIA, PA

CONTACT INFORMATION

Ms. John Hodge, Executive
Director Office of Property Data
1401 John F. Kennedy Boulevard
Philadelphia, PA 19102
215-686-5628
john.hodge@phila.gov

Start date: 7/2014
End date: 3/2015

SERVICES PROVIDED AND DESCRIPTION OF PROJECT

- **Scope of work:** Conducted a Computer Assisted Mass Appraisal (CAMA) needs assessment for the City which included recommendations to migrate 579,000 parcel accounts from an outdated platform and institute substantial process improvements to all key assessing processes.
- **Description of project:** In addition to a CAMA replacement, Plante Moran also advised the City in improving non-CAMA related records including enhancing GIS capabilities, sketches, and property photos. Recommendations included instituting management techniques to improve workload distribution. Further retained by the City to assist with system selection and data conversion activities.

Plante Moran has also uploaded Attachment E Customer Reference Form to the State's procurement site Ariba.

4.6: Legal right to practice in North Carolina

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:

01. Articles of incorporation

Articles of incorporation

Plante & Moran, PLLC is incorporated in the State of Michigan.

02. DBA filed with NC Counties

DBAs filed with NC counties

Plante & Moran, PLLC does not have any DBAs with the State of North Carolina.

03. Licensee information from the NC State Board of CPA Examiners

License from the NC State Board of CPA Examiners

Plante & Moran, PLLC is licensed with the North Carolina State Board of CPA Examiners. Please see page 116 for a copy of our certificate in the Response and Documentation section.

04. Other associated documents that provide evidence the vendor is authorized to practice and provide services in North Carolina

Plante Moran's NC Secretary of State ID

Plante Moran's North Carolina Secretary of State ID number is **0808376**. Please see page 118 for a copy of our registration with the NC Secretary of State in the Response and Documentation section.

4.7 External reviews and regulatory action

- 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.

Results of peer review report | dedicated to quality control

Plante Moran has a peer review performed every third year by an independent CPA firm. This firm selects a sample of audit engagements from all of the industries served by Plante Moran, including the public sector group, which includes governmental entities, and ensures that the audits were performed in accordance with professional standards.

The most recent peer review was completed for the year ended June 30, 2022. The firm received a rating of “pass” with no comments or findings, which is **the highest rating firms can receive**.

The most recent quality control review included a review of several government engagements. Please view the full report at peerreview.aicpa.org. A copy of our most recent peer review report is attached in the Response and Documentation section on page 117.

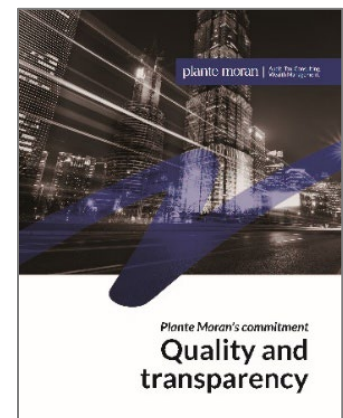
- b. Vendors not subject to the American Institute of Certified Public Accountants external review requirements must provide detailed information regarding all aspects of the Vendor’s formal internal quality control program/process. This should include but is not limited to: quality control policies 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.

Quality control procedures and structure

Plante Moran has built a nearly 100-year reputation based on quality and integrity — on doing things right. We’ve never been a firm to take shortcuts. We have systems in place to ensure a quality product every time, including:

- **An open-door policy:** You have access to our team members year-round for questions and consultation.
- **Colleague partnering:** Your engagement team includes multiple senior-level partners, at no additional cost.
- **Professional standards integration:** A technical standards professional will be a core team member on our engagement. This sets us apart from other firms, which tend to keep their professional standards team in an “ivory tower.”

Our director of professional standards reminds us: “Every job is a self-portrait of the person who did it. Autograph your work with quality.” We aspire to do that for every client, every day.



Process for quality assurance

Plante Moran takes great pride in the quality of services we provide to our clients. We have a rigorous set of quality controls designed to provide assurance that professional standards are followed, and our

clients receive a high-quality product. We consider the engagement size and complexity; industry specialization; and nature, extent, and timing of work to be performed when assigning personnel to engagements. In addition, we have professional quality control individuals dedicated to the government industry, who provide deep industry knowledge and experience. We proactively involve our quality control professionals early in the planning process, and many of our clients have direct contact with our quality control individuals throughout the year.

Our engagement teams serve as our frontline quality assurance process. They are responsible for developing and documenting audit matters. The benefit to the State's Entity is an ongoing continuous dialogue with our quality control professionals to make decisions and to provide clients accounting options within the rules.

Internal audit engagement quality reviews

Our internal audit team follows Red Book which is the conceptual framework that organizes authoritative guidance promulgated by the Institute of Internal Auditors (IIA):

- Core Principles for the Professional Practice of Internal Auditing
- Definition of Internal Auditing
- Code of Ethics

Additionally, our team will utilize analytical procedures, inclusive of smart sampling, segregation of duties considerations, and outlier identification via our robust analytical tools such as IDEA, Alteryx, and Tableau.

Assuring consultant quality

We guarantee your engagement will always be staffed by individuals with current, relevant experience. The breadth and depth of our government-trained internal audit consultants and other governmental consultants allow us to seamlessly provide quality staff to the State's Entity should a replacement be necessary. Our industry-focused firm model also means **our government consultants have worked together as an integrated team during their careers**. This not only demonstrates the team's collective governmental consultant expertise and quality but also staff continuity. We have natural succession plans within the team structure as each person gains experience. For example, a staff member may develop into a senior role in the engagement, and the senior may take over as the manager. Due to the depth and experience of our bench of governmental practice consultants, we can leverage and design a team structure best suited to the State's Entity.

Client satisfaction program

When it comes to client satisfaction, our core purpose says it all: "We commit to being a caring, professional firm deeply committed to our clients' success."

Plante Moran offers clients two independently conducted survey mechanisms to report on how they evaluate the service we provide. The annual client satisfaction survey program surveys clients in one of four cycles launched every year. This program is primarily for those clients for whom the firm provides recurring work and with whom the firm has an established relationship. Our project-based program is an ongoing, on-demand survey that collects immediate feedback for a project or assignment. This tool allows us to identify areas of satisfaction/dissatisfaction, gather performance feedback on Plante Moran consulting staff and processes, and provide our clients with an opportunity to give us additional thoughts and insights on our service.

Both of these survey tools give clients a timely, reliable, and convenient way to report to us about the service we provide. Finally, the results of each client satisfaction survey are reviewed by our firm leadership team.

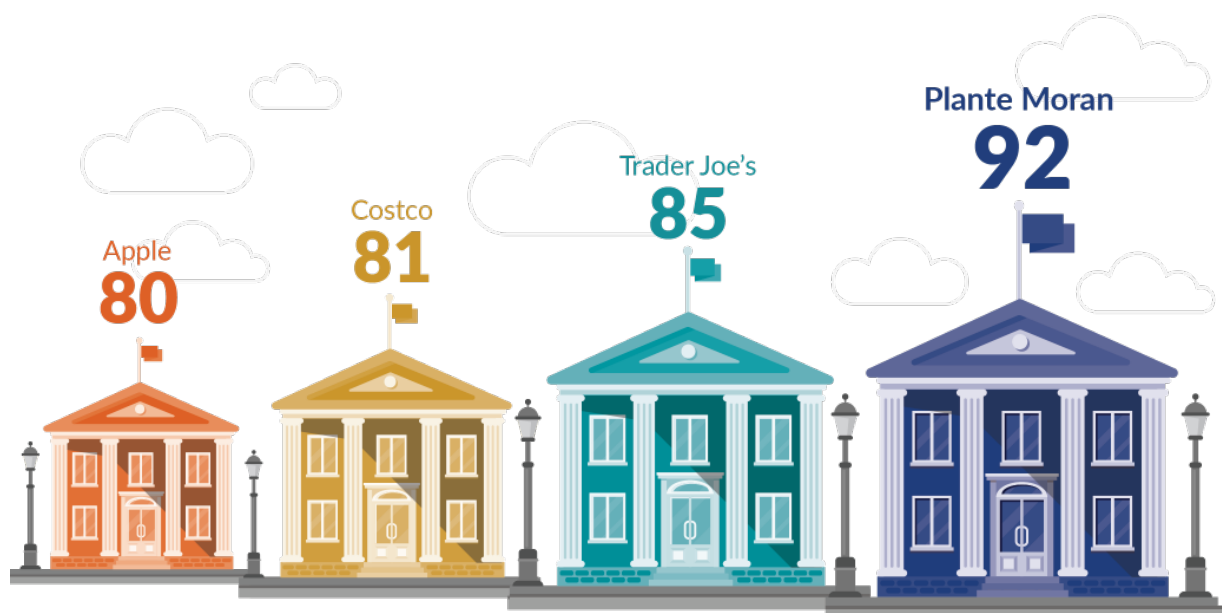
Surveys aside, we have found that the best way to ensure we are keeping you satisfied is to ask you directly. We will have ample opportunity to do so because we will be working regularly with your team as well as engaging in a continuous dialogue with you regarding your organization's needs, challenges, and opportunities. The best way for us to continually learn more about your company is to be present, and the information we learn during those meetings will enable us to provide great client service and keep you satisfied.

Reach and reputation

We serve clients across the country and around the world. Every day, we leverage the latest technologies in our engagements to reduce on-site travel, minimize disruptions to client staff, and lower our overall fees. This significant investment in technology sets us apart from our competitors and led to our inclusion on the InformationWeek 500 list as one of the nation's most innovative users of business technology.

Let our clients do the talking

Our client satisfaction survey is performed by an independent firm that utilizes the American Customer Satisfaction Index (ACSI) methodology to compare our rating against a diverse group of companies. The ACSI represents aggregated customer satisfaction benchmarks based on key drivers such as service approach, level of expertise, quality of work, and value-added.



Source: Plante Moran's score is from our client satisfaction survey conducted by the CFI Group using the American Customer Satisfaction Index (ACSI) methodology. Other companies' scores were provided by the ACSI. The scores are not satisfaction percentages but rather raw scores.

- 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.

Regulatory issues

In late July 2023, Plante Moran settled an enforcement matter with the Public Company Accounting Oversight Board (PCAOB). The settlement relates to two instances dating back to 2018 and 2020 in which audit committee pre-approval was not obtained for certain services provided to two public company audit clients. In each case, once Plante Moran learned of the oversight, the firm performed an evaluation of its independence by considering whether: (1) notwithstanding the violation that occurred, Plante Moran was capable of exercising objective and impartial judgment on all issues encompassed within the audit engagement, and (2) a reasonable investor with knowledge of all relevant facts and circumstances would conclude that Plante Moran was capable of exercising objective and impartial judgment on all issues encompassed in the engagement. Plante Moran concluded that it was capable of exercising objective and impartial judgment and that a reasonable investor would conclude the same for both engagements; we reported the matters to the clients' audit committees, which formally concurred with Plante Moran's conclusions. Additionally, the PCAOB did not determine that the rule violations impaired the engagement teams' objectivity or impartiality. Nor did the PCAOB otherwise call into question the sufficiency or results of the audits. The firm paid a \$40,000 civil money penalty and agreed to limited undertakings. Plante Moran fully cooperated with the PCAOB's investigation, and, since the events occurred, we have reexamined our internal processes regarding the relevant PCAOB rules and taken affirmative steps to prevent compliance issues in the future.

- 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.

Pending regulatory investigations

As a public accounting firm subject to the jurisdiction of the United States Securities & Exchange Commission, PCAOB, and various state boards of accountancy, we are subject to routine inspections and inquiries related to our work. At present, however, we are not aware of any pending regulatory investigations by any state or federal regulatory agencies.

- 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.

No outstanding liabilities

We affirm that Plante Moran 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 not required by law to have a financial statement audit, provide the following information in the proposal response:

01. 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.

Financial information

Plante Moran is a privately held firm, and we are well-capitalized by the partner group. Plante Moran does not share full financial statements outside of the firm, and the below financial information should be considered highly confidential. As a privately held accounting and consulting firm, Plante Moran is not required to have an independent audit of its financial statements, nor has an audit been performed. The summary below, however, reflects the strong financial condition of the firm.

P&M Holding Group, LLP Financial Information (in thousands)					
	Fiscal Year Ending 06/30/2022	Fiscal Year Ending 06/30/2021	Fiscal Year Ending 06/30/2020	Fiscal Year Ending 06/30/2019	Fiscal Year Ending 06/30/2018
Income Statement					
Net Revenue	862,481	766,236	724,257	658,017	516,231
Balance Sheet					
Current Assets	354,293	335,371	288,913	201,415	159,062
Total Assets	395,822	373,857	320,791	238,157	190,297
Current Liabilities	104,297	105,440	72,014	47,660	40,746
Total Liabilities	105,748	108,447	82,046	58,631	44,177
Partners Investment	290,074	265,410	238,745	179,526	146,120

P&M Holding Group, LLP is a privately owned company with 370 partners. The Firm is well capitalized with the Partners' investments of over \$290 million.

4.9: Cost proposal

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>

Professional rates schedule

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>

Services Category	Staff Base Rate	Staff Upper Rate	Supervisor	Executive	OTHER PROFESSIONAL STAFF		
					Vendors may enter provide rates for additional staff categories, if applicable.		
Operational/Performance Audit	\$175	\$225	\$275	\$425			
Investigative Audit	\$200	\$225	\$350	\$500			
Compliance Audit	\$175	\$225	\$275	\$425			
Information System Audit	\$175	\$225	\$275	\$425			
Risk Assessment and Audit Plan	\$175	\$225	\$275	\$425			
Development	\$175	\$225	\$275	\$425			
Financial Audit	\$175	\$225	\$275	\$425			
Data Analytic Services	\$225	\$275	\$300	\$425			
Managerial Advisory Services	\$185	\$245	\$350	\$425			
Accounting Services	\$155	\$175	\$250	\$375			

Plante Moran has also uploaded Attachment A: Cost Proposal to the State's procurement site Ariba.

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.

Personnel information and qualifications addressed

We have submitted our personnel qualifications and experience for each service (audit, investigative, information systems, data analytics, accounting, and managerial advisors) on pages 50-70.

Plante Moran warrants that our qualified personnel will provide Services under this Contract in a professional manner. We understand that “professional manner” means that the personnel performing the Services will possess the skill and competence consistent with the prevailing business standards in the industry. Should Subcontractor(s) be utilized for any Services Plante Moran will serve as the Prime Contractor under this Contract and will be responsible for the performance and payment of all Subcontractor(s) that may be approved by the State. We understand that Names of any third-party Vendors or Subcontractor(s) of Plante Moran may appear for purposes of convenience in Contract documents; and shall not limit Plante Moran’s obligations hereunder. If Plante Moran engages in the use of Subcontractor(s) we will retain executive representation for functional and technical expertise as needed in order to incorporate any work by third-party Subcontractor(s).

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

5.4: Project staffing

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. Project Staffing should align with the intended staff categories identified in Section 4.9 of this RF

Project staffing

See below and on the following page for our organizational chart and pages 50-70 for professional resumes.

Operational/Performance Audit, Compliance Audit, Risk Assessment and Audit Plan Development, and Financial Audit Team



Investigative Audit Team



Information Systems Audit Team



Project staffing continued

Data Analytics/Continuous Monitoring Team



Tim Deskin
Partner



Mark Richards
Partner



Stephanie Henry
Senior Manager



Cole Weinman
Manager

Accounting & Financial Services Team



Brian Camiller
Partner



Kari Shea
Partner



Melanie Crowther
Senior Manager



Carolyn Lorenz
Senior Manager



Michelle Lewis
Senior Manager

Managerial/Advisory Team



Scott Patton
Senior Manager

Resumes for operational/performance audit, compliance audit, risk assessment and audit plan development, and financial audit team



Education

Bachelor of Science in
Communications
Ohio University

Certifications

Certified Internal Controls
Auditor (CICA)

Number of years experience

Operational/Performance
Audit: 25 years
Compliance Audit: 25 years
Risk Assessment and Audit
Plan Development: 25 years

Troy Snyder, CICA

Engagement Partner
Risk and Accounting Advisory Services

Summary of experience

Troy has over 25 years of experience with Big 4 and large regional accounting/consulting firms and has a proven track record of quality results in growing a governance, risk, and compliance advisory practice. His professional experience includes being a Senior Manager with Deloitte in Computer Assurance Services in the Ohio Valley Region, a Partner with Ernst & Young in Technology & Security Risk Services in the Pacific Southwest Region, and a Partner with SingerLewak/Premier Alliance in enterprise risk services also in the Pacific Southwest Region. Troy recently moved from California to Michigan and is now a partner with Plante Moran in enterprise risk services in the Southfield office. Troy is focused on internal audit value creation, SOX compliance, increasing effectiveness and efficiency, and delivering exceptional client service.

Relevant experience includes

- Managed outsourced and co-sourced internal audit engagements
- Developed and aided in the maintenance of program compliance in accordance with federal regulations
- Business process reconfiguration
- Guided clients in implementing internal control recommendations
- Project management

Selected key clients

- Town of Cary, NC
- Atlanta Public Schools, GA
- DeKalb County (GA) School District
- City of Gainesville, FL
- County of Miami-Dade, FL
- County of Kent, MI



Matthew Bohdan, CPA, CIA

Principal

Risk and Accounting Advisory Services

Summary of experience

Matt has over 15 years of public accounting and management consulting experience providing services to public sector clients. His expertise focuses on detailed process and procedure assessment, development and performance of risk assessment, and outsourced / co-sourced internal audit services. He also has extensive experience with data analytics, including building analytical tools and dashboards from scratch and advanced financial modeling. In March 2023, Matt was appointed to the US Comptroller General's Advisory Council on Standards for Internal Control in the Federal Government, where he will use his expertise and insight to set and revise standards for effective internal controls at government agencies.

Matt has built deep trusting relationships with our public sector clients through risk assessment and internal control implementation leadership. Matt helps our clients understand the key aspects of internal control implementation, monitoring the effectiveness of those activities, and reporting results to key organizational decision-makers. Additionally, Matt has provided valuable support to our clients by leading efforts to design and implement grant monitoring procedures and leading a team of specialists in executing timely monitoring efforts.

Relevant experience includes

- Created complex built-from-scratch analytical tools, including custom-developed dashboards detailing key financial and procedural metrics intended for both internal and external use
- Internal control gap review and implementation of accounting/finance remediation procedures
- Business process improvement for companies in transition and distress
- Advanced financial modeling
- Business planning, financial reporting, due diligence, and other interim financial management

Selected key clients

- Town of Cary, NC
- Atlanta Public Schools, GA
- DeKalb County (GA) School District
- County of Miami-Dade, FL
- City of Gainesville, FL
- City of Pflugerville, TX
- County of Kent, MI

Education

Masters of Business
Administration

Walsh College of Accountancy
and Business Administration

Bachelor of Business
Administration with a
concentration in finance
Grand Valley State University

Certifications

Certified Public Accountant
(CPA)

Certified Internal Auditor
(CIA)

Number of years experience

Operational/Performance
Audit: 15 years

Compliance Audit: 15 years

Risk Assessment and Audit
Plan Development: 15 years



Education

Bachelor of Science in Business,
Accounting, and Finance
DePaul University

Number of years experience

Operational/Performance
Audit: 8 years
Compliance Audit: 8 years
Risk Assessment and Audit
Plan Development: 8 years

Bryan O'Neill

Senior Manager
Risk and Accounting Advisory Services

Summary of experience

Bryan is in his eighth year with Plante Moran's risk and accounting advisory services practice. Bryan has experience leading numerous internal audit engagements for municipalities focused on ensuring effective internal control over financial reporting, as well as multiple specific operational audits. His internal audit experiences have ranged from building an organization's internal audit program from scratch, testing internal controls, and assisting clients with a history of material weaknesses through the remediation process. Bryan's specific knowledge of data analysis and robotic process automation has helped clients enhance their internal control environment and control testing strategy. He also played an integral part in developing Plante Moran's proprietary risk assessment process.



Education

Bachelor of Business
Administration, Accounting
Howard University

Number of years experience

Internal audit and risk
assessment and internal
controls: 5+ years

Gabrielle Wafer

Manager
Risk and Accounting Advisory Services

Summary of experience

Gabrielle is a Manager in the risk and accounting advisory services practice with over five years of experience serving a variety of industries. Gabrielle focuses on internal audit and risk and internal controls consulting and leads the day-to-day engagement activities. She has provided internal control testing for Sarbanes-Oxley (SOX) and Japanese SOX (J-SOX) services to ensure appropriate controls over financial reporting and various internal audits. Gabrielle has experience in documenting processes, identifying internal control gaps, and providing recommendations to help streamline clients' processes. She also has experience writing operational and accounting policies for clients looking to develop or update their policies. Gabrielle helps our clients understand the key aspects of internal control implementation, monitor the effectiveness of those activities, and report results to key organizational decision-makers.



Briana Solorio, CPA

Senior Consultant
Risk and Accounting Advisory Services

Summary of experience

Briana has provided support on accounting, risk management, and compliance projects for both private and public organizations in a variety of industries. She has performed internal control design, testing, and remediation for multiple clients. Additionally, Briana has helped clients manage risk through internal control development, internal control remediation, and enterprise risk management execution. She has experience with assessing subrecipient eligibility for American Rescue Plan Act funding. She also has experience monitoring subrecipient programmatic and financial compliance with various HUD CPD programs, including CDBG, HOME Investment Partnerships, ESG, and Continuum of Care grant programs. She also has experience with reporting, data analytics, and modeling tools such as Microsoft Power BI and Tableau.

Relevant experience includes

- Assisted with model and financial visualization development for both internal and external use
- Implementation of accounting/finance internal control remediation procedures
- Assessed ARPA grant funding applications for eligibility and overall project risk
- Developed programmatic and financial monitoring templates to ensure compliance with the Uniform Guidance, HUD-specified criteria, and contractual requirements.

Selected key clients

- Town of Cary, NC
- Atlanta Public Schools, GA
- City of Gainesville, FL
- County of Kent, MI

Education

Masters of Science in
Accountancy
Northern Illinois University
Bachelor of Science in
Accountancy
Northern Illinois University

Certifications

Certified Public Accountant
(CPA)

Number of years experience

Internal audit and risk
assessment and internal
controls: 3+ years

Resumes for investigative audit team



Michelle McHale, CPA/CFF, CFE

Partner
Forensic Services

Summary of experience

Michelle is the practice leader for the firm's Forensic Accounting Services Group and has assisted clients in a range of forensic assignments. She has assisted counsel in discovery matters by providing damage-related document requests, interrogatories, affidavits, and potential deposition questions. She has testified at trial regarding economic damage calculations and forensic accounting findings. She received her Bachelor of Business Administration from Walsh College and has been with the firm for over 20 years, the entire time with the Forensic and Valuation Services Group.

Relevant experience

In regard to forensic investigations, she has conducted numerous interviews, located and reviewed key documents, analyzed financial records and traced assets, and quantified the financial impact of fraudulent activities. For example, she testified in May 2018 in the matter of *People v. Jyl Olson-DeRosso*, the former Treasurer of Ironwood Township, MI, and, based on the testimony, the Judge ordered the Defendant pay the restitution based on the Plante Moran determination exceeding \$1 million.

She has provided financial consulting services for many large and small entities that were not in litigation. A significant portion of this consulting is related to performing numerous specialized internal control reviews whereby vulnerable areas of the controls over cash are identified. She has also helped entities prepare economic loss claims that are filed with insurance companies resulting from employee fraud or white-collar crime.

Concerning the evaluation of economic damages in personal injury, wrongful death, and wrongful termination matters, she has performed numerous evaluations of opposing expert analyses and independent calculations of her own. She is well aware and knowledgeable of the variables that must be taken into consideration when evaluating economic damages, such as historical earnings, projected earnings and growth rate, fringe benefits, household services, mitigation, personal consumption, tax impacts, worklife expectancies, life expectancies, and present value discount rates, among others.

Education

Bachelor of Business
Administration
Walsh College

Professional training and affiliations

Certified Fraud Examiner (CFE)

Certified in Financial Forensics

Licensed Certified Public
Accountant (CPA)

Association of Certified Fraud
Examiners (ACFE)

American Institute of Certified
Public Accountants (AICPA)

Michigan Association of
Certified Public Accountants
(MICPA) – Fraud Task Force,
former Chair

Number of years experience

Investigative audits: 20+ years



Eric Conforti, CPA, CFE

Principal
Forensic Services

Summary of experience

Eric's work focuses on solving (and preventing) all problems related to fraud. Whether it's:

- Aiding federal, state, and local law governments investigate public corruption and conflicts of interest,
- Helping business owners quantify embezzlement losses for insurance claims,
- Performing "fraud check-ups" at school districts to proactively test for fraud and provide internal control recommendations,
- Using data analytics to assist in class-action RICO lawsuits, or
- Identifying fraud to support and/or defend shareholder oppression claims.

Relevant experience

Nicknamed, "the Batman of Accounting" by his peers, he is rarely credited publicly for my accomplishments due to the confidential nature of his engagements. However, he has extensive experience in performing forensic investigations, data analytics, and fraud focused internal control reviews, with the team performing over 150 engagements annually. His engagements span all industries; however, at least 25% to 50% of his engagements each year involve public sector clients, including governments, higher education, and K-12.

Eric is professionally trained in a variety of interviewing and interrogation methods, performing data analytics, reviewing financial records, researching persons' backgrounds online, and analyzing supporting documentation for anomalies. His work has resulted in dozens of criminal convictions, tens of millions in civil judgments, and several employee dishonesty/fidelity claims paid by insurance companies to victim organizations. Prior to joining the forensic services practice, he gained valuable experience serving as an auditor on Plante Moran's Governmental Assurance team.

Education

Bachelor of Business
Administration
Walsh College

Professional training and affiliations

Certified Fraud Examiner (CFE)

Licensed Certified Public
Accountant (CPA)

Association of Certified Fraud
Examiners (ACFE)

American Institute of Certified
Public Accountants (AICPA)

Michigan Association of
Certified Public Accountants
(MICPA) – where he recently
served as vice chair of the
Forensic Accounting Task Force
and leader of the Forensic
Accounting Expert Panel

Number of years experience

Investigative audits: 15+ years

Additional team members

Scott Petree will also be an investigative team member. He is a Partner in our Cyber Forensic Services. He will provide digital forensic imaging and collection. His resume can be found on the following page. He will also serve as a Partner for our Information Systems Audit services we will provide to the State and its Entities.

Resumes for information systems audit team



Scott Petree, CPA, CISA, CFE, QSA, CISSP

Partner

Management Consulting, Cybersecurity Practice

Summary of experience

Scott is a leader in Plante Moran's cybersecurity consulting practice. Scott provides consulting and assessment services for companies in addressing information security risks. He is a problem solver and offers sensible solutions for addressing cybersecurity risks to his clients.

Relevant experience

Scott's experience includes cybersecurity assessments, network security assessments, vulnerability assessment services, PCI consulting and compliance, IT risk assessments, IT audits, and SOX 404 IT controls documentation and testing. He specializes in a variety of fields, including information security risk assessments, information security audits, network security assessments/penetration testing, PCI compliance consulting, and assessments, IT SOX controls, financial institutions, governmental institutions, not-for-profit, and healthcare.

Representative clients

Representative clients can be found on page 16.

Education

B.A. in Mathematics

Grand Valley State University

B.B.A. in Accounting

Information Systems

Eastern Michigan University

Professional training and affiliations

Member of AICPA

Member of MICPA

Member of ISACA-Detroit chapter

Member of ACFE

Certified Public Accountant

Certified Information Systems Auditor

Qualified Security Assessor

Certified Information System Security Professional

Certified Fraud Examiner

Number of years experience

Information Systems audits: 20 years



Kyle Miller, CISSP, CISA, CDPSE, QSA

IT Principal
Management Consulting, IT Practice

Summary of experience

Kyle has over a decade of information security auditing and consulting. He also has experience providing IT system implementation, maintenance, and support in a higher education environment.

Relevant experience

Kyle's current focus is in interpreting various information security related standards, frameworks, and regulations (e.g., PCI DSS, HITRUST, COBIT, FFIEC, GLBA, SAMM, SOX, etc.) for clients in a variety of industries. He has extensive experience helping clients define compliance scope, providing recommendation to reduce their scope of compliance, and performing compliance-based audits.

Representative clients

Representative clients can be found on page 16.

Education

Bachelor of Arts
Michigan State University

Professional training and affiliations

Active member of Information Systems Audit and Control Association (ISACA) international volunteer body of committees, working groups, and advisory councils and currently serving on their IT Audit and Assurance Advisory Group.

Certified Information Systems Security Professional (CISSP)
Certified Information Systems Auditor (CISA)

Certified Data Privacy Solutions Engineer (CDPSE)

Qualified Security Assessor (QSA)

Number of years experience

Information Systems audits: 10+ years



Jennifer Zanone, CISA, PMP, ISO 27001

Principal
Management Consulting, Cybersecurity Practice

Summary of experience

Jennifer has over 16 years of IT risk assessment, IT audit, and IT general control experience in a number of public and private sector industries including government, healthcare, higher education, real estate, manufacturing and distribution, and technology services. Jennifer has experience assisting clients identify and monitor the effectiveness of IT control environments in support of various compliance initiatives including Sarbanes-Oxley, PCI, HIPAA, ISO 27001, and NIST-800-53, among others. Jennifer's experience includes working closely with client management to evaluate the impact of IT changes on the client environment (e.g., system implementations/upgrades, transition in IT control ownership, integration of merged entities, IPO readiness), collaborate with management to right-size the scope of the IT audit, execute mutually agreed upon audit procedures, identify control deficiencies, develop remediation procedures, and facilitate executive level reporting to the Audit Committees and/or the Board of Directors.

Relevant experience

Jennifer has provided valuable support to our local cities, counties, and governmental authority clients by utilizing her public sector expertise to bring industry best practices and trends to her engagements. Jennifer has been involved as an officer and volunteer of the Institute of Internal Auditors (IIA) and maintains active membership with the Information Systems Audit and Control Association (ISACA), Information Systems Security Association (ISSA), and Project Management Institute (PMI). Jennifer has spoken at industry conferences and associations on topics including IT Risk Management and Managing Third Party Risk, and has developed and delivered IT audit training to financial statement audit teams at multiple national accounting firms.

Representative clients

Representative clients can be found on page 16.

Education

Bachelor of Science in
Management
Georgia Institute of Technology

Professional training and affiliations

Certified Information Systems
Auditor (CISA)

Project Management
Professional (PMP)

ISO 27001 Lead Auditor

Member of the Institute of
Internal Auditors (IIA)

Member of the Information
Systems Audit & Control
Association (ISACA)

Member of the Project
Management Institute (PMI)

Member of the Information
Systems and Security
Association (ISSA)

Number of years experience

Information Systems audits: 16
years



Grant Phillips, CCSFP | Manager

Manager
Management Consulting, Cybersecurity

Summary of experience

Grant has experience in the assessment of technology risk and evaluation of IT controls in support of IT security regulatory compliance engagements (e.g., Sarbanes-Oxley, PCI).

Relevant experience

In addition, Grant has experience in working with various IT security control frameworks (e.g., NIST 800, ISO 27001/27002, COBIT, HIPAA). Grant has industry experience including healthcare, government, higher education, and manufacturing. Grant's experience includes performing engagements to evaluate and assess IT risk, evaluate the effectiveness of control measures implemented, and identify IT control deficiencies.

Representative clients

Representative clients can be found on page 16.

Education

M.S. Cybersecurity Intelligence
Utica College

B.S. in Criminal Justice
Michigan State University

Professional training and affiliations

Certified CSF Practioner (CCSFP)

Number of years experience

Information Systems audits: 7+ years



Olawale ("Wale") Oseni

Manager
Management Consulting, Cybersecurity

Summary of experience

Wale is an experienced IT auditor and controls specialist with years of experience in audit, risk assessments, in-depth knowledge of Sarbanes-Oxley (SOX) assessment, J-SOX assessment, PCI DSS compliance, ITGC, FISCAM, SAS70/SSAE16 attestation, ERP security assessment (SAP, PeopleSoft, and Oracle Financial), federal guidelines, and NIST 800-53 Frameworks. He has an extensive background in all stages of audit including planning, studying, evaluating, and testing of controls, reporting, and follow-up.

Relevant experience

Wale conducts IT compliance testing to assess risk, evaluate internal controls, safeguard assets, and analyze IT controls supporting financial reporting and operating procedures.

Representative clients

Representative clients can be found on page 16.

Education

Master's in public and international affairs,
(UNILAG) University of Lagos,
Nigeria

B.S. in Economics,
Tai Solarin College of Education,
Nigeria

Professional training and affiliations

Member of ISACA Information
Systems Audit and Control
Association

Certified Information Systems Auditor

Number of years experience

Information Systems audits: 8+ years



Education

M.S. Accounting and Information Systems and Minor in Information Technology

B.A. in Accounting and Information Systems
Michigan State University

Professional training and affiliations

Certified Public Accountant (CPA)

Working towards obtaining his Certified Information Systems Auditor (CISA)

Number of years experience

Information Systems audits: 5+ years

Cooper Dayton, CPA, CISA

Senior Consultant
Management Consulting, Cybersecurity

Summary of experience

Cooper has experience in Sarbanes-Oxley (SOX 404) compliance, information security, and IT audit across multiple industries, including financial institutions and service companies.

Relevant experience

His experience includes SOX ITGC internal audit and external audit services, privacy reviews, SOC 1 and SOC 2 audits, and information security audits of financial institutions. He also contributes to the firm's blockchain initiatives.

Representative clients

Representative clients can be found on page 16.

Resumes for data analytics/continuous monitoring team



Education

Bachelor of Science in
Business and Political Science
Saint Bonaventure University

Number of years experience

Data analytics: 20 years

Tim Deskin

Partner
Data Analytics

Summary of experience

As the leader of the business development team in the Rocky Mountain region, I focus on sales, lead generation, and customer success. My clients consider me an expert in software and information technology. I believe in developing strong client relationships and developing custom solutions to meet clients' needs. I primarily work in the education and government sectors, with additional experience in manufacturing and distribution, and healthcare.

There were two key things that attracted me to this career: I love being around people and building lasting relationships, and I enjoy solving problems that challenge other people. It's great to find a job where I can combine these pieces in the work I do every day. My clients appreciate that I model the attributes of a servant leader and strive to provide excellent customer service.

Selected key clients

- State of California: California Business, Consumer Services and Housing Agency ("CA BCSH") Homeless Data Integration System
- State of Colorado: Governor's Office of Information Technology
- Various other public and private organizations



Education

Bachelor of Science in
Management Science
University of Wales-Swansea

Number of years experience

Data analytics: 20 years

Mark Richards

Partner
Data Analytics

Summary of experience

As the business analytics leader for the firm's Rocky Mountains region, I help clients understand, develop, embrace, and execute their vision for data analytics and reporting. We specialize in providing solutions for business intelligence (dashboards and KPI visualizations), data integration (architect, cleanse, and stage data for reporting), and performance management issues (using technology to make budgeting and forecasting more efficient). My main focus is on the education, state and local government, manufacturing, and construction industries.

One of my proudest accomplishments with the firm is building the data analytics practice to where it is today. We made the calculated decision to invest in smart young graduates who think the right way and ask the right questions. That policy is really paying dividends.

I speak at numerous user groups and conferences, and my focus is on innovative solutions, thought leadership, alternative perspectives, and challenging the norms of data preparation and analytics. This speaks to the often-ignored question of "why" an initiative is being pursued. On the "what" side, I often present and demonstrate for technology partners such as Informatica, Alteryx, IBM, and Tableau, as well as lead training and workshops for prospective clients.

Selected key clients

- State of California: California Business, Consumer Services and Housing Agency ("CA BCSH"): Homeless Data Integration System
- Frontier Dental Laboratories, CA
- Oregon Chief Education Office, OR
- Denver Seminary, CO
- Texas A&M University, TX
- Wichita State University, KS
- Virginia Commonwealth University Health System (VCUHS), VA
- Arkansas Bureau of Legislative Requests (BLR), AR
- Seattle City Light (SCL), WA
- San Diego Association of Governments, CA



Stephanie Henry

Senior Manager
Management Consulting

Summary of experience

Stephanie is a manager within business analytics management consulting. She has 20 years of experience in various full-scale analytics implementations. Throughout this time, she gained skills ranging from BI report development to extract, transform, and load (ETL) solutions. She has also worked on business analytic solutions across various industries, including education, healthcare, manufacturing, financial, transportation, and state government. She leads the National K-12 Tableau User Group, Colorado K-12 Tableau User Group, and the Colorado SLED Tableau User Group. Her strong interpersonal and visual analytics skills support clients in their scale out of data analytics in their organization. She not only helps them build the end products, but she also shares best practices of how to have a successful implementation of the tool across an organization.

Number of years experience

Data analytics: 20 years

Selected key clients

- Adams County School District 14
- Arapahoe Public Libraries
- Arizona Department of Health Services
- Boulder Valley School District
- Calaveras Office of Education
- California Department of Corrections and Rehabilitation
- Camino Nuevo Charter Academy
- Canutillo Independent School District
- Colorado Department of Education
- Colorado Governor's Office of Information Technology
- Colorado Office of Behavioral Health
- Colorado Regional Health Information Office
- Colorado School of Mines
- Idaho State University
- Kansas State University
- Millard Public Schools
- Missouri Department of Conservation
- New Mexico Department of Health
- Oregon Health Authority
- San Francisco Unified School District
- San Jose Water
- Tennessee Department of Health
- University of Montana
- Utah State Board of Education
- Wabash General Hospital
- Washington Department of Corrections
- Wyoming Department of Health
- Wyoming Game and Fish Department



Cole Weinman

Manager
Management Consulting

Summary of experience

Cole has 13 years of business intelligence and analytics experience. He has led teams to implement and maintain various technologies including Alteryx and Tableau Servers. Cole has also acted as a Solution Owner in various industries, including highly regulated financial clients.

As a Professional SCRUM Master, Cole has managed many solutions-based projects from inception to completion. In addition to project leadership, Cole has experience across various tools, including Tableau and Tableau Server, Alteryx and Alteryx Server, Snowflake, Salesforce Administration and Reporting, Tableau CRM, Power BI, and MicroStrategy.

Education

Bachelor of Arts in
Communication

Colorado State University, Fort
Collins

Number of years experience

Data analytics: 13 years

Project experience

Analytics and reporting: Led efforts to stand up Alteryx and Tableau servers, providing analytics support to 6,000 end users. Managed a global team of analysts to produce analytics and reporting.

Program manager: Created reports and analyses using queries from complex SQL databases. Managed a global team responsible for creating reports and dashboards using Tableau and Alteryx.

Selected key clients

- Homeless Data Integration System, CA
- Sangamo Therapeutics
- West Palm Beach
- TekniPlex
- Martin Engineering

Resumes for accounting & financial services team



Brian Camiller, CPA

Partner

Government Accounting Services

Summary of experience

Brian has more than 18 years of experience serving governmental entities. As a practice leader of Plante Moran governmental accounting professionals (PMGAP), Brian oversees financial accounting and reporting services provided to multiple Michigan municipal entities. In addition, in the past five years, Brian has served as the engagement senior manager for the audits of several Michigan municipal entities.

Selected key clients

- City of Allen Park*
- City of Belleville*
- City of Center Line*
- City of Detroit*
- City of Ferndale*
- City of Fraser*
- City of Garden City
- City of Highland Park*
- City of Inkster*
- City of Livonia
- City of Milan*
- City of Pleasant Ridge
- City of River Rouge*
- City of South Lyon
- City of Wayne*
- City of Westland
- City of Wixom
- County of Kent*
- Detroit Region Aerotropolis Development Corporation
- Grand Blanc Township
- Highland Township
- Hillsdale Board of Public Utilities
- Huron Township
- Local Community Stabilization Authority*
- Nankin Transit Commission
- Salem-South Lyon District Library
- Saline District Library
- Scio Township
- The Library Network
- West Bloomfield Township
- West Bloomfield Township Public Library
- Wixom Public Library

Education

Bachelor of Arts
Michigan State University

Current on Continuing Professional Education meeting all State of Michigan and yellow book requirements

Professional training and affiliations

American Institute of Certified Public Accountants (AICPA)
Michigan Association of Certified Public Accountants (MICPA)
Michigan Municipal Treasurers Association
Michigan Governmental Finance Officers Association
Regular speaker for MGFOA, MMTA, MACPA, MTA, MAMC, and MiPRIMA

Instructor - Plante Moran Continuing Professional Education Programs

Number of years experience

Accounting and financial services: 18+ years



Kari Shea, CPA

Partner

Government Accounting Services

Summary of experience

As a partner in the firm's Government Accounting Professionals (PMGAP) group, Kari provides permanent and temporary accounting assistance for all types of governments. With a specialty in government, she provides assurance and consulting services to cities, counties, townships, villages, and governmental authorities.

Kari chose public accounting because of its emphasis on client service. She has a strong passion for serving my clients, and she deeply cares about their mission and success.

Kari is a member of the AICPA, the Michigan Association of CPAs, the Florida Government Finance Officers Association, and the Michigan Government Finance Officers Association where she participates on the legislative committee. She is also a board member of the Farmington/Farmington Hills Foundation for Youth and Families.

Education

Master of Science in Accounting, University of Michigan – Dearborn
Bachelor of Business Administration in Accounting and Finance, University of Michigan – Dearborn

Current on Continuing Professional Education meeting all State of Michigan and yellow book requirements

Professional training and affiliations

American Institute of Certified Public Accountants (AICPA)
Michigan Association of Certified Public Accountants (MICPA)
Florida Government Finance Officers Association
Michigan Governmental Finance Officers Association

Number of years experience

Accounting and financial services: 20 years

Selected key clients

- City of Berkley
- City of Detroit
- City of Englewood, CO
- City of Fennville
- City of Milan
- City of Mount Clemens
- City of New Baltimore
- City of Riverview
- City of Wixom
- Charter Township of Northville
- Farmington Community Library
- Holly Township
- Local Community Stabilization Authority
- Melrose Township
- Michigan Municipal Services Authority
- Romeo DDA
- West Bloomfield Township
- Village of Dundee
- Village of Franklin
- Village of Owendale
- Village of Romeo



Melanie Crowther, CPA

Senior Manager

Government Accounting Services

Summary of experience

I serve public sector clients in both an assurance and accounting service capacity, with a specialty in federal awards (grants) compliance. With my specialty in federal awards compliance, I have been involved in a variety of the firm's internal trainings and initiatives on Uniform Grant Guidance and single audits. I have presented at Plante Moran-sponsored client trainings and webinars on Uniform Grant Guidance, single audits, and newly issued accounting pronouncements, and at conferences held by other Government associations in Colorado and New York.

I am a member of the AICPA, Michigan Association of CPAs, Michigan Governmental Finance Officers Association, and Colorado Governmental Finance Officers Association. I am licensed as a CPA in the state of Michigan.

Selected key clients

- City of Detroit
- City of Fennville
- Early Childhood Investment Corporation
- Marian High School Inc
- Michigan Manufacturing Technology Center
- Melrose Township
- Scio Township
- The Women's Board of Northwestern Memorial Hospital
- Village of Owendale

Education

Master of Science

Michigan State University

Bachelor of Arts

Michigan State University

Professional training and affiliations

American Institute of

Certified Public

Accountants (AICPA)

Michigan Governmental

Finance Officers

Association

Colorado Governmental

Finance Officers

Association

Number of years experience

Accounting and financial

services: 20 years



Carolyn Lorenz, CPA

Senior Manager
Government Accounting Services

Summary of experience

I have more than 20 years of experience in accounting and auditing, specializing in municipalities. My special project experience includes temporary financial management, including managing municipal finance departments; performing detailed reconciliations, and day-to-day accounting tasks; year-end audit preparation, including creating audit schedules and preparing financial statements; emergency assistance including rebuilding accounting history and bringing delinquent accounting records up to date; preparation of five-year forecast models, including utility rate models; implementing GASB pronouncements; preparing utility rate studies; creating and monitoring annual budgets; assisting with accounts payable, accounts receivable and payroll functions; chart of account redesign and business process reviews.

Education

Bachelor of Science in
Accounting, Oakland
University

Professional training and affiliations

American Institute of
Certified Public
Accountants (AICPA)
Michigan Association of
Certified Public
Accountants (MICPA)
Michigan Governmental
Finance Officers
Association

Number of years experience

Accounting and financial
services: 25 years

Selected key clients

- 31st District Court
- City of Berkley
- City of Dearborn Heights
- City of Howell
- City of Mount Clemens
- City of Pleasant Ridge
- Hazel Park
- Howell Township
- Village of Ontonagon



Michelle Lewis, CPA

Senior Manager

Government Accounting Services

Summary of experience

I have 17 years of experience with the firm's governmental practice, primarily serving local governmental units. Prior to joining the Government Accounting Professionals team, I worked on audit engagements including those with single audits and financial statements that are submitted to the GFOA's Certificate of Achievement for Excellence in Financial Reporting program. Now, I spend my time managing a wide range of engagements where we provide accounting assistance for all types of governments and non-profit organizations, preparation of water and sewer rate studies, financial projections, and implementation and consulting services.

I have been involved in a variety of the firm's internal trainings and initiatives, including new staff training on governmental financial statements. I have presented at Plante Moran-sponsored client trainings and webinars on newly issued accounting pronouncements, and at conferences held by the AICPA, Michigan Municipal League and other Government associations in Michigan, Florida, and Colorado. I am a former member of the firm's professional standards team and an office leader for our firm's Women in Leadership initiative. Outside of the firm, I am a board member for the Michigan Women in Finance. I am a graduate of the University of Michigan - Dearborn and a member of the AICPA and MICPA.

Education

Bachelor of Business
Administration –
Accounting, University of
Michigan – Dearborn

Professional training and affiliations

American Institute of
Certified Public
Accountants (AICPA)
Michigan Association of
Certified Public
Accountants (MICPA)

Number of years experience

Accounting and financial
services: 17 years

Selected key clients

- City of Chelsea
- City of Dearborn Heights
- City of Williamston
- Charleston Naval Complex
Redevelopment Authority
- College of Lake County, IL
- Fenner Valley Water Authority
- Grand Blanc Township
- Inkster Public Library
- Michigan Works! Southeast
- Van Buren Township
- Township of Hamburg

Resume for managerial/advisory services



Scott Patton

Senior Manager
Government Operations Practice Leader

Summary of experience

Scott brings over 20 years of experience in local government management to our team. He brings expertise in organizational efficiency, process improvement, organizational development, and program alignment. Scott uses a variety of tools to add value for clients including process mapping, systems thinking, strategic planning, gap analysis, and survey design/analysis and performance assessment. He is an active volunteer in a variety of community causes.

Education

Master of Public
Administration
Michigan State University

Bachelor of Arts in philosophy
and political science
Hope College

Number of years s experience

Managerial/advisory services:
20+ years

Organizational structuring and staffing analysis: Identify and evaluate workload levels for governmental clients for a variety of services. Apply knowledge of best practice government operations. Projects have included reviewing resource utilization metrics, service level modeling, and analyzing unique position requirements to give an accurate assessment of a planned future state.

Process and operational analysis: Facilitate discussions on work requirements and synthesize data and trends to recommend strategic improvements within internal organizational functions. Focus includes organizational efficiency, customer satisfaction, and ongoing standardization. Reviews have included internal functions of treasury, finance, payroll, technology, and vendor management. Improvement recommendations focus on aligning structure with organizational goals and core business processes, operational efficiency, increased performance and customer service levels/satisfaction, and core process standardization.

Selected key clients

- City of Bend, OR
- City of Carlsbad, CA
- City of Cleveland, OH
- City of Denton, TX
- City of Deland, FL
- City of Detroit, MI
- City of Flint, MI
- City of Hollywood, FL
- City of Norfolk, VA
- City of St. Joseph, MO
- City of Philadelphia, PA
- City of Southfield, MI
- City of West Palm Beach, FL
- Collier County, FL
- Genesee County, MI
- Illinois State Treasurer
- Kent County, MI
- Macomb County, MI
- Las Vegas Valley Water District
- Michigan House Business Office
- Ohio Attorney General
- Ramsey County, MN
- Parish of St Tammany, LA
- Santa Margarita Water District
- St. Lucie County, FL
- Wayne County, MI

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.

Approach for operational/performance audit

Addressing anticipated internal audit challenges

Plante Moran serves more than 1,700 public sector clients. Using our experience serving clients like the State, we are prepared to address the following common challenges:



Audit and internal control assessment efficiency

We understand the cost-benefit trade-off in both operating and assessing management's internal controls. To optimize cost-effectiveness in our service delivery, we use a methodology that incorporates data analytics and visualization capabilities. This system allows us to complete on-demand assessments of application-level internal control risks in minutes — a process that would otherwise take weeks to complete.



Staff "buy-in"

We frequently have client staff members look at internal audits in a negative manner, or as a "gotcha" exercise. We will partner with the State's Entity management team to set the initial tone and establish that this is a value-add activity, which assists the organization as it grows. We will support that tone throughout the entire engagement to ensure the State's Entity staff members are aware of the importance of this initiative.



Managing schedules

We understand your staff will face competing priorities with other projects and their day-jobs. We're flexible in our approach and work closely with the State's Entity team to manage schedules. For instance, we will do our best to avoid accounting-related meetings during period close. When certain attendees cannot join a scheduled meeting, we will schedule follow-up discussions to connect with those individuals separately.



Clear communication and project expectations

Our top priority is to ensure project expectations, goals, and findings are clearly communicated to the State's Entity team. At the onset of the project, we will have several discussions with their team to ensure project expectations are met, and we will hold recurring check-in meetings throughout the project to ensure we are on the track of meeting their expectations. We will also send meeting recaps so that everyone understands the outcome of each meeting. There will be nothing in our final report that comes as a surprise or that the State's Entity team has not already been made aware of.

Internal audit workplan

Scope of work

We will create a program for continuously auditing and reviewing the State's Entity's compliance with the following standards

- **Yellow Book:** Standards and guidance for auditors and audit organizations, outlining the characteristics of good audit reports, professional qualifications for auditors, and audit quality guidelines.
- **Red Book:** The conceptual framework that organizes authoritative guidance promulgated by the Institute of Internal Auditors (IIA):
 - ◆ Core Principles for the Professional Practice of Internal Auditing
 - ◆ Definition of Internal Auditing
 - ◆ Code of Ethics

This program will include an annual audit calendar comprised of risk-based internal audit units and scheduled quarterly updates to required stakeholders.

Example six-month audit plan summary:

AUDIT UNIT RISKS	Month																							
	1				2				3				4				5				6			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Cybersecurity																								
• Unauthorized access to confidential data																								
• System left vulnerable to outside attacks																								
Fixed assets																								
• Failure to accurately track fixed assets																								
• Misappropriation of assets																								
Financial reporting																								
• Inefficient financial close process																								
• Misstatements on financial statements																								
Grants																								
• Failure to comply with the grant agreement and regulatory requirements																								
• Inadequate grant monitoring procedures																								
System-wide ERP segregation of duties analysis																								
• Employees maintain access to critical areas of the ERP system																								
• Systemic design failure of IT controls over key processes																								

Additionally, we will:

- Proactively review and make recommendations to the State's Entity's draft internal audit charter to ensure administrative alignment with governmental requirements, as well as applicable portions of the above standards.
- Develop matrices to define internal audit-level roles and responsibilities.
- Coordinate the State's Entity and related parties to avoid duplication of effort on all risk assessment, internal audit, and remediation support activities.

Our example workplan on the following pages (74-80) describes our approach to complete one risk-based individual internal audit. This general process for delivering the range of services outlined in your RFP's scope of services is based on our experience; however, during the planning phase, we will further tailor the plan to meet the State's Entity's needs and expectations.

Internal audit activities by phase

Below is a high-level summary of our proposed internal audit activities. Please see pages 75-80 for further details on our activities within each phase.

Phase	Activities	Deliverables and milestones
1. Planning  <i>Timing:</i> Week 1	- Request and collect multi-year audit work plan, priorities list, and current risk assessment - Hold formal kickoff meeting to discuss project plan, roles and responsibilities, expectations for communication, project timeline, goals, etc. - Request and collect relevant documentation (policies/procedures, specific samples, etc.) - Schedule interviews with key personnel	- Finalized written individual audit unit plan - Timeline for project completion including key milestone dates
2. Audit fieldwork  <i>Timing:</i> Weeks 2-5	- Perform individual audit unit fieldwork procedures in accordance with generally accepted auditing standards - Interview key personnel related to each audit unit objective to obtain an understanding of the highest priority risks, and current- and future-state risk mitigation activities - Update audit unit working papers to document the results of discussion with management, as well as inspection of requested internal control documentation and auditor observations	- Interim progress updates to stakeholders as required for each audit unit - Immediate written reports (as needed) detailing identified irregularities and illegal acts to those charged with governance
3. Post-fieldwork  <i>Timing:</i> Week 6	- Complete workpaper quality review procedures and complete follow-up requests of management - Develop individual audit unit report on internal controls containing any reportable conditions, specifically material weaknesses or significant deficiencies in the design or operation of the internal control structure - Develop a separate letter summarizing non-reportable conditions and recommendations for the State to incorporate into current processes and subsequent audit planning - Deliver findings and final report to key stakeholders and discuss corrective recommendations to improve program operations, facilitate efficient decision-making, and improve public accountability	- Individual audit unit report with corrective action recommendations - Management letter summarizing non-reportable conditions and recommendations

Phase 1: Planning (Week 1)



1.1 Develop audit criteria

We will work with the State's Entity's management team and Board to ensure we have developed suitable audit criteria that is relevant, reliable, objective, and understandable. Audit criteria may include, but not be limited to, the following:

- Laws and regulations applicable to the operation of the audited entity
- Departmental goals, policies, and procedures
- Technically developed standards or norms
- Results of previous engagements
- Contracts or grant agreements
- Prior periods' performance
- Defined business practices
- Expert opinions
- Specifically identified performance benchmarks

We will use these criteria to design an efficient and thorough audit program and an advanced request list to ensure that we begin the scheduled audit fully prepared.

1.2 Collect and review documentation

Prior to our kick-off meeting, we will provide the State's Entity with an information request list. We will review the existing documentation you provide to gain a comprehensive understanding of your current operating environment. We anticipate requesting documents in the following categories:

- Risk assessment results
- Current internal audit plan
- The State's organization and staffing
- Departmental plans and budgets
- IT applications
- Policies and procedures
- Cybersecurity environment
- Transactional and internal control populations

Please note that we do not expect the State's Entity to create any documentation that does not already exist. For any areas where documentation does not exist, pertinent information will be obtained during the interview process.

1.3 Conduct internal audit kick-off meeting

During this meeting, we will confirm the objectives, timing, and scope of the task order and applicable internal audit units, as well as the anticipated level of involvement from the State's Entity's staff member. We will confirm which State's Entity team members should attend this session. We anticipate that the project kick-off and stakeholder interviews will occur at the same visit if they take place on-site. We will work with the State's Entity's management team to schedule the interviews at a time that is mutually convenient.

Phase 2: Audit fieldwork (Weeks 2-5)

2.1 Conduct internal audits and process walkthrough interviews



We will conduct each internal audit to:

- Deliver findings, conclusions, and recommendations based on an evaluation of sufficient, appropriate evidence against clearly defined criteria.
- Verify the applicable program is effective in achieving its intended objective.

Our procedures will include:

- Process walkthroughs to understand scope-specific departmental goals and objectives, inputs, and drivers, as well as key areas of risk and internal control.
- Document inspections to verify the consistent operation of internal control operating effectiveness.
- Observation of key management processes and internal control operation.
- General inquiry with management and control owners.

We will meet with key process owner groups relevant to each task-order and performance audit to understand department functional outcomes and their array of risks. The focus of these interviews will be to identify the effectiveness of current operations and internal control activities, as well as detect the presence of material weaknesses or significant deficiencies in the design or operation of the internal control structure. Interview topics will likely include:

- | | |
|--|--|
| • Functional goals and objectives | • Compliance with applicable laws, regulations, voter mandates, and policies |
| • Department understanding of current internal control practices | • Use of technology to achieve departmental outcomes |
| • Specific processes, procedures, and documentation practices | • Specific questions to clarify items from audit preparation work and preliminary sample testing, where practical. |
| • Segregation of incompatible duties | |

2.2 Conduct in-depth analysis

We will further review and analyze the information gathered during Phase 1. At a minimum, the following information (data and observations) will be analyzed:

- Documentation provided by the State's Entity
- On-site meetings and interviews with leadership, stakeholders, and IT staff
- Survey results (end-user technology satisfaction, time/effort allocation, and department skills)
- Technologies in use, including systems architecture and methods for delivery of services
- Comparison to industry standards, best practices, and marketplace trends
- Emerging trends (e.g., IoT, robotic process automation, drones) that can be implemented
- Alignment of IT department goals with the overall organizational strategy

2.3 Evaluate program performance

We will conduct each internal audit in accordance with GAGAS standards and validate the program's success in delivering applicable functions and services. Specifically, we will evaluate whether the administration of the government program is:

- **Effective:** Does the program achieve the intended results? We will design and execute a performance audit that focuses on the effectiveness of the in-scope program to evaluate the operation of the program in achieving its stated objectives.
- **Efficient:** Does the program optimize value from available resources? We will examine whether the resources used to administer the program have been put to optimal or satisfactory use, or whether the same or similar results could have been achieved timely with fewer resources.
- **Economical:** Does the program minimize the costs of resources used in performing its functions, while meeting timeliness and quality considerations for those resources? We will audit the costs of inputs relative to the outcomes achieved.
- **Ethical:** Does the program advance the collective interest of the public rather than private gain? Is it conducted with honesty, integrity, and impartiality? We will assess the effectiveness of internal controls in ensuring compliance with applicable laws and regulations and preventing and identifying fraud, as well as evaluate the risk of waste and abuse.
- **Equitable:** Does the program consistently serve members of the public, distribute public services, and implement public policy in a manner that promotes fairness, justice, and equality? We will assess the applicable:
 - ◆ Equality of access to and provision of services
 - ◆ Procedural fairness in governmental programs and policies
 - ◆ Root cause analysis of disparate outcomes
 - ◆ Distributional impacts of public policies, programs, resources, and services

2.4 Develop a risk-based audit report

Based on our findings, we will develop an internal audit report that details our findings, conclusions, and recommendations relative to specific program effectiveness. The report will contain recommendations aligned with industry standards and best practices for each of the topical areas identified in the assessment overview section.

We anticipate the report will consist of the following sections, keeping in context the size and the nature of the program:

- **Executive summary:** One-page summary of audit results, themes, areas of recommended focus, and proposed next steps for correction and improvement.
- **Observations:** The current state, trends, challenges, and gaps for the areas assessed. Includes detailed descriptions and risk ratings by topical area within the areas of people, process, and technology. These findings will be summarized in a SWOT (strengths, weaknesses, opportunities, threats) analysis.
- **Detailed findings:** Specific evidence-based findings, exceptions, and deficiencies (if any) in internal control.
- **Recommendations:** The prioritized opportunities for improvement and potential corrective measures considered in the future state.

Phase 3: Post-audit fieldwork (Week 6)

3.1 Quality review



We will complete workpaper quality review procedures to ensure that internal audit findings are relevant, complete, accurate, and supported by evidentiary documentation.

We will then draft the performance audit report on internal controls, escalating any reportable conditions, specifically material weaknesses or significant deficiencies in the design or operation of the internal control structure.

When internal controls (or any deficiencies in internal control) are significant within the context of the performance audit objectives, we will include a summary of the scope of audit work performed.

We will ensure that we obtain and report the views of responsible officials of the audited program concerning the findings, conclusions, and recommendations in the audit report, as well as any planned corrective actions.

3.2 Report delivery

We will develop a separate letter summarizing non-reportable conditions and recommendations for the State's Entity to incorporate into current processes and subsequent audit planning. We will also deliver findings and a final report to key stakeholders and discuss corrective recommendations to improve program operations, facilitate efficient decision-making, and improve public accountability.

3.3 Presentation to management and the Board of Directors

Upon completion of the audit and prior to issuing any audit reports or the management letter, we will lead an exit conference with those charged with governance. Additionally, we will be available to attend subsequent State Entity's Board and Committee meetings upon request.

3.4 Post-internal audit support

We will further support the State's Entity by identifying prioritized functional candidates for improvement through standardization. Where needed, we will:

- Create standard operating procedures and training documents for the State's internal audit staff.
- Develop matrices to define the State business-level roles and responsibilities.
- Manage and support internal control implementation and follow-up.

Measuring results

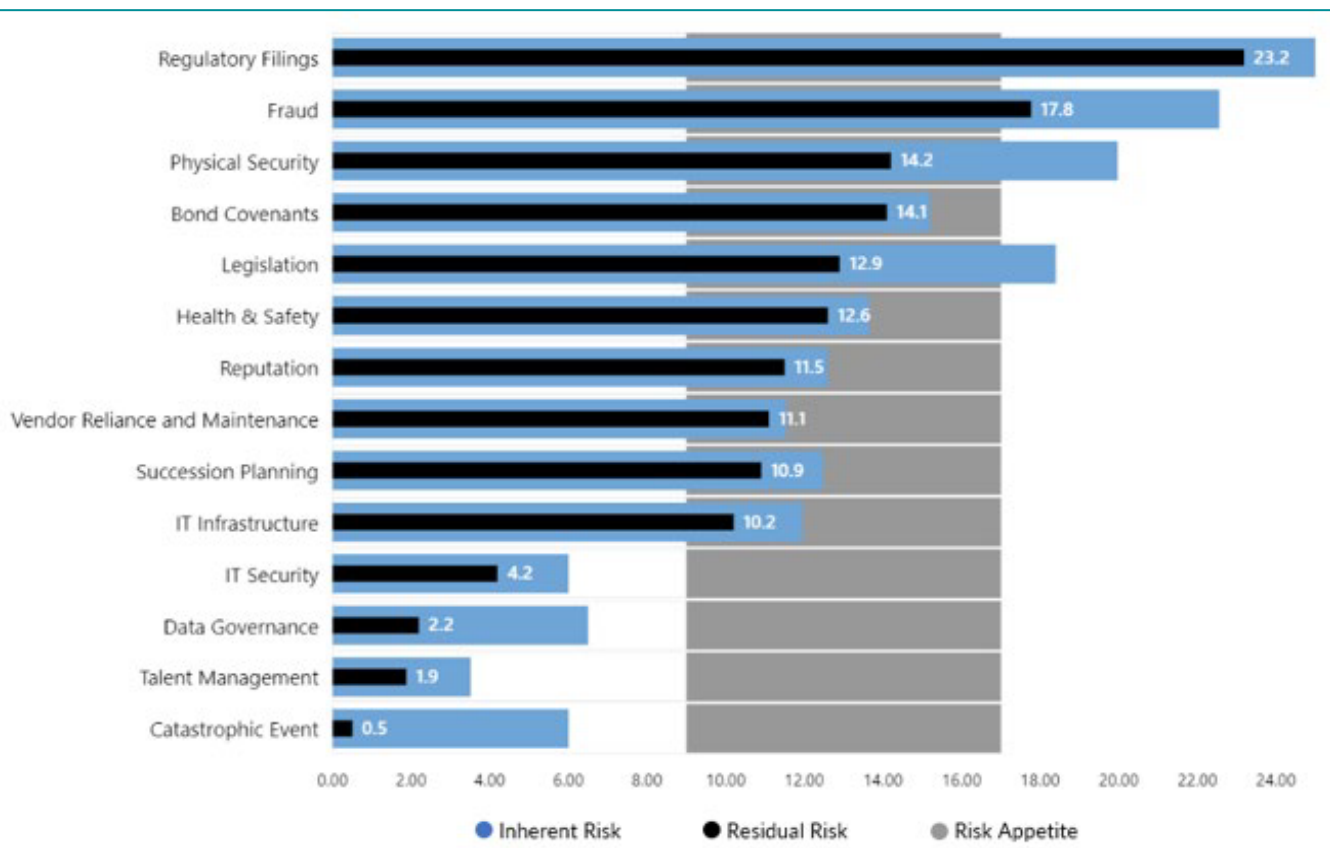
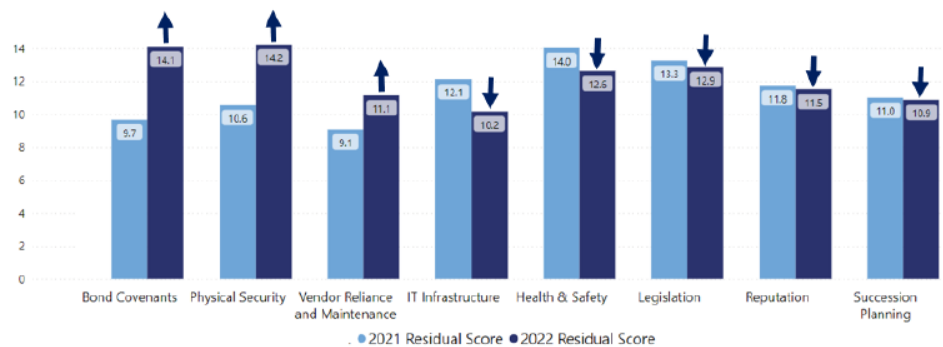
Our risk-based internal audits include follow-up assessments of management's progress in implementing business risk reduction action initiatives, as agreed-upon and according to established action plans. We will develop metrics, key performance indicators, and key risk indicators to measure both the performance of the internal audit function and the control activities of the State's Entity's internal controls. We will create informative reports to summarize the stats of the internal control performance metrics most important to the State's Entity, including reports furnished as custom interactive risk assessment dashboards using Microsoft PowerBI (see screenshots on the following page).

Updated Top Enterprise Risks

Through our discussions, Client personnel identified two new top risks; Physical Security and Bond Covenants:

	Risk Rank	Risk Name	Update
Remained as Top Risk	1	Regulatory Filings	Remained as a top risk due to Naviline reporting challenges and decentralized filing practices.
	2	Fraud	Remained as a top risk due to segregation of duties conflicts within the Finance department.
Added as Top Risk	3	Physical Security	Added as a top risk due to a lack of check-in procedures or limiting entries for visitors and informal process to collect keys from terminated employees.
	4	Bond Covenants	Added as a top risk due to bond covenant compliance not being performed throughout the year or with a back-up.
Removed as Top Risk	5	Legislation	Removed from top risks due to back-ups for all legislation meetings and recurring legislative updates sent to respective departments.
	6	Health & Safety	Removed from top risks due to review of procedures for OSHA compliance.

The graph below summarizes all of the enterprise risks with a change in residual risk score greater than (+/-) 0.2 during 2022:



Approaches for compliance audits

Internal policies and procedures audit approach

The assessment of internal policies and procedures will be crafted to fit each State Entity's unique needs, goals, and objectives. As part of our assessment, we will evaluate the key areas and controls that have been defined by the State's Entity while making custom, timely recommendations for improvement. We will work together with the Entity's management team to design the most effective plan to achieve the greatest gains in cost efficiency, execution, communication, and delivery. Our approach and methodology are dynamic. We evolve as our clients' needs evolve. We are adaptable and open to rapid revision as needed to meet our clients' expectations.

The following table illustrates an example of the procedures we would perform as part of our evaluation of your business process areas. Once we have the opportunity to meet with the State Entity's staff members and obtain a more thorough understanding of the Entity's operations, we will adjust our procedures to address additional key areas. In addition to our assessment, we will evaluate how technology is used in the performance of your processes.

Phase 0	Planning and Preparation 	The planning phase includes a review of the key business process areas of an organization through discussions with the management team and key personnel. Specific risk areas will be identified for further evaluation. This phase involves the detailed tasks for executing engagement activities, including scheduling interviews. This step is coordinated with input from management and personnel.
Phase 1	Flowchart/Narrative Mapping 	Our team will review the procedures as they have been designed and revised by the entity's management team and leverage their work to assist with the formulation of key policy documents, which will incorporate the entity's current procedures, responsibilities, and authorities within each policy. We will also review to ensure internal controls are defined in the entity's key processes. As an example, our outline might include the following: Month-End Close • Close calendar and activities • Bank Reconciliations • Balance sheet account reconciliations • Journal Entries • Foreign Exchange • Reporting and consolidation Cash Flow • Treasury • Debt and debt service • Bank and disbursement authorities • Cash flow planning and reporting
Phase 2	Control Testing 	In the last phase, we will perform control testing in accordance with the flowcharts, narratives, and policies. This will ensure the business objectives are being met and identify any current deficiencies in the control environment. We will provide actionable feedback to entity management and recommendations to improve the controls at the Entity and reduce the various risks identified in Phase 1.

Grant requirements audit approach

Phase 0	Planning 	Our planning phase establishes the communication protocols and expectations between Plante Moran and the State's Entity. A project kick-off meeting will be conducted to introduce the project team, discuss roles and responsibilities, finalize the project scope, set the cadence for status update meetings or reports, and establish project timelines. We will also provide initial document requests to prepare for Phases 1 and 2. Deliverables: 1. Project plan with defined scope and timeline 2. Document request list
Phase 1	Evaluation, Enhancement, and Deployment of Reporting and Monitoring Resources 	Based on the agreed-upon project objectives, customized monitoring tools and templates will be developed to assess compliance with the applicable local, state, and federal laws, funding agency guidance, Uniform Guidance, and other requirements specified in the grant agreement. We will also identify key attributes to be inspected within project files or expenditure records. Subrecipient monitoring management tools such as documentation request trackers or status dashboards for subrecipient and grant program monitoring may be developed. We will also develop custom reporting tools to meet the State's Entity's needs. Deliverables: 1. Program and subrecipient risk assessment 2. Monitoring work plan templates 3. Documentation request trackers 4. Monitoring questionnaire templates 5. Programmatic and financial testing workpapers 6. Monitoring status dashboards
Phase 2	Recommend Improvements to Policies, Procedures, Forms, Systems, and Processes 	We will review applicable policies, procedures, forms, systems, and processes. We will identify and make recommendations for the State's Entity's consideration related to new steps, procedures, or tools that would improve efficiency in current processes. This may include an assessment of, but is not limited to, subrecipient monitoring procedures, grant program manuals for subrecipients, and programmatic or financial reporting forms. Deliverable: 1. Report summarizing our observations and recommended changes to policies, procedures, forms, systems, and processes for management's consideration
Phase 3	Prepare an Audit Plan 	For each subrecipient, we will prepare a subrecipient risk assessment and discuss overall program risk with the State's Entity. The subrecipient and program risk assessment is based upon factors including, but not limited to, experience executing the grant program, prior-year monitoring findings, including the most recent single audit results, size of the grant award, and staff turnover. Information is gathered via discussions with the State's Entity management team or subrecipient staff, inspection of documentation, and/or a questionnaire completed by the subrecipient. Risk scores are assigned for each factor, resulting in an overall high, medium, or low risk rating. Higher risk subrecipients or programs will have an increased percentage of samples tested, number of areas monitored, extent of monitoring procedures performed, or frequency of monitoring. Using the results of this risk assessment, Plante Moran will propose a monitoring audit plan to the Entity for their review and approval.

		Deliverable: 1. Subrecipient and program risk assessments 2. Proposed audit plan
	Execute Audit Plan 	After approval of the monitoring audit plan by the State's Entity, monitoring activities will be initiated through a notification letter or entrance conference with project and program staff. We will provide the subrecipients with document requests and questionnaires to understand program operations processes, achievements, and difficulties experienced while executing the program. Key monitoring procedures include, but are not limited to: 1. Interviewing subrecipient staff to obtain an understanding of the project or program operations. 2. Evaluating internal control, governance, cash management, accounting, record retention, and procurement policies. 3. Ensuring program guidelines or operating procedures are consistent with and inclusive of applicable requirements. 4. Inspecting project file samples for documentation of eligible activities. 5. Assessing expenditure samples and source documentation to ensure the expenditures were a necessary, reasonable, and allowable use of funds. 6. Ensuring appropriate staff time distribution records are retained. 7. Examining financial records for adherence to financial management requirements and accurate tracking of grant funds received and expended, program income, and match (as applicable). 8. Inspecting programmatic performance and financial reports for sufficiency of supporting documentation and adherence to the grant contract's scope of services. During monitoring procedures performed, we will keep the State's Entity abreast of progress and any instances of non-compliance identified. All instances of non-compliance will be confirmed with the subrecipient and supported by documentary evidence. At the conclusion of monitoring activities, we will provide the subrecipient with a letter summarizing the monitoring activities performed and the results. Instances of non-compliance with statutory, regulatory, or grant contract requirements will be cited. The subrecipient will need to identify specific corrective actions taken to resolve the issues identified. We will track receipt of corrective action plans and obtain evidence of completion of the required corrective actions. Deliverables: 1. Completed monitoring templates, workpapers, and supporting documentation obtained for each subrecipient monitored. 2. Post-monitoring letters provided to the subrecipients with the results of the monitoring activities completed. 3. Monitoring close-out letters provided to the subrecipients upon receipt of evidence of corrective action plan completion, as applicable.

Monitoring tool examples

Below are examples of past monitoring tools we have developed. We will work with the State's Entity to tailor existing tools or develop new tools to meet the Entity's needs and expectations for each subsidy or grant program.

Risk assessment example

The risk assessment template documents various risk factors and scoring definitions. The scores are added together to arrive at a high, medium, or low risk rating. The risk rating acts as the basis for the monitoring procedures performed.

Subrecipient Risk Assessment					
Subrecipient:	Subrecipient A	Preparer:	Preparer A		
Program:	CDBG	Prepared Date:	8/11/2022		
Review Period:	07/01/2021-06/30/2022	Reviewer:	Reviewer B		
		Review Date:	8/11/2022		

	Risk Factor	Risk Score Guidance	Document Reference	Score	Comments
1	What is the subrecipient's prior federal funding/subaward experience?	Prior experience > 10 years (0) Prior experience 5-10 years (1) Prior experience 1-5 years (2) Prior experience < 1 year (3) No prior experience (4)	CDBG Questionnaire	0	
2	Were prior audits conducted?	Prior single audit findings (2) No prior single audit (1) Prior single audit, no findings (0)	Subrecipient Single Audit	2	
3	Were prior audit findings resolved?	Yes/N/A (0) No (2)	Subrecipient Single Audit	0	
4	Are there issues with citizen complaints?	Yes, several complaints (2) Yes, few/isolated complaints (1) No (0)	CDBG Questionnaire	0	
5	Have financial systems changed?	Yes (2) No (0)	CDBG Questionnaire	0	

Monitoring procedures overview example

Each monitoring template includes a cover sheet which documents the results of the risk assessment, number of samples to be tested, monitoring objectives, test steps performed, the results of the test steps, and issues identified.

Subrecipient Name:	Subrecipient A	Tester:	Tester A	Reviewer:	Reviewer B
Subrecipient Risk Level:	Low	Date:	8/11/2022	Review Date:	8/13/2022
Program:	CDBG	Program:	CDBG	# of Client File Samples Tested:	5
Program Risk Level:	Low	Program Risk:	Low	Percent of Client Files To Test:	3%

	Monitoring Objective	Test Step	Results	Document Reference	Comments
Step 1	Assess overall program risk level.	Program risk will be assigned by City Management.	Complete	Discussion with the City	Program determined to be low risk due to the subrecipient's experience operating the program.
Step 2	Contact with subrecipient to inform them of monitoring requirements	Letter will notify the subrecipient of the upcoming monitoring and provide a list of required documents to be provided by the subrecipient.	Complete	Subrecipient Monitoring Engagement Notice	
Step 3	Assess subrecipient risk level.	Risk assessment completed and the score is used to determine subrecipient risk. When combined with program risk, percentage of client files to be tested is determined.	Complete	Subrecipient Risk Assessment	Subrecipient determined to be low risk.
Step 4	Verify that the subrecipient retained documentation in compliance with the federal guidance	Review the subrecipient's records to determine whether appropriate documentation was retained to comply with the CDBG program requirements. Examples of records include but are not limited to policies and procedures, grant agreement, application documents, etc. Monitoring template was adapted from the following HUD CPD exhibits: 3-2, 3-3, 3-4, 3-11, 3-16, 34-1A, 34-2A	Pass	CDBG Monitoring tab	No discrepancies noted in the samples selected for testing.
Step 5	Verify that the subrecipient retained necessary documentation in each client file in accordance with the federal guidance	Select a sample of client files according to the risk assessment sampling guidelines. Perform testing steps on the "Client File Testing" tab for each client file selected.	Pass	Client File Testing tab	No discrepancies noted in the samples selected for testing.

Monitoring template example

Programmatic and financial monitoring templates are developed based on applicable funding agency guidance, laws, regulations, the Uniform Guidance, and additional requirements per the grant agreement. The attribute-based monitoring templates document the requirements, source of the requirements, and whether the requirements were met.

Subrecipient Name:	Subrecipient A	Tester:	Tester A
Program:	CDBG	Testing Date:	8/11/2022
Activity:	24 CFR 570.201 (e) Fair Housing Counseling	Reviewer:	Reviewer B
Review Period:	07/01/2021-06/30/2022	Review Date:	8/13/2022

Which national objective is being met?	Benefit to Low and Moderate Income Persons
Which eligibility category does the project meet?	Low/Mod Area Benefit
Describe the scope of services.	The project objectives are to promote equal access to housing opportunities by providing information, training, technical assistance, investigative services, and monitoring local housing activities for compliance with the Fair Housing Act.
Describe any problem the subrecipient may be experiencing.	The subrecipient has not been able to hold in person services due to COVID-19.
List/acknowledge major accomplishments.	2,591 individuals have undergone education and outreach training for a total time of 68.5 hours. 10 fair housing tests were completed involving housing discrimination investigations on the basis of disability status and/or race.

No.	Testing Attribute	Citation	Conclusion	Document Source	Comments
	PROJECT PERFORMANCE				
1	Is the project achieving the expected levels of performance (number of persons served, number of units rehabbed, etc.) and reaching the intended client group?	Requirement per grant agreement	Yes	Performance Report Subrecipient Agreement	The project is exceeding expected levels of performance defined in the subrecipient agreement.
2	Is the full scope of services listed in the agreement being undertaken?	Requirement per grant agreement	Yes	Performance Report Subrecipient Agreement	All services specified in the subrecipient agreement are undertaken.
3	Are requests for payments being submitted in a timely manner and are they consistent with the level of work?	Requirement per grant agreement	Yes	Interview	Requests have consistently been submitted in a timely manner with appropriate documentation.
4	Have performance reports been submitted with payment requests (where required) on time and were they complete and accurate?	Requirement per grant agreement	Yes	Performance Report	Performance report has been submitted in a timely manner with appropriate documentation.
	RECORDKEEPING				
5	Do records confirm an environmental review was completed prior to committing or expending CDBG Program funds or local funds on any eligible program activities?	24 CFR 570.200(a)(4); 24 CFR 570.604; 24 CFR 58	Yes	Environmental Review	Environmental review was performed prior to commencement of the contract

Approach for risk assessment and audit plan development

Risk assessment workplan

We will identify, rank, and prioritize the top risks applicable to the State's Entity. As part of our assessment, we will review the State's Entity's financial information and interview/survey relevant to the State's Entity personnel.

Our approach will be customized to your specific needs, using an information collection framework that achieves the right balance of survey, interview, and workshop methodologies. We regularly use all methods within a single engagement, as we've found that using them in a complementary fashion optimizes the effectiveness of the assessment.

Key steps in our risk assessment process:



Review financial statements and documentation: We will review financial statements for key material accounts and determine financial statement risk level based on predictive indicators (such as complexity of the account, volume of transactions, susceptibility to loss or fraud, level of subjectivity, and similarity of transactions). We will also review existing process and control documentation.



Deploy surveys: We'll distribute exploratory risk surveys to key departmental leaders to determine baseline perceived risk levels.



Using the information gained from our documentation review and surveys, we'll prepare a preliminary risk profile and preliminary inherent risk ratings.



Conduct interviews: We will conduct follow-up interviews with senior leadership to better understand the State's Entity perspective of enterprise risks. These discussions will help us identify root-cause drivers for risk events and existing internal control practices.



Conduct workshop: During a collaborative workshop session with the State's Entity, we will further develop and refine the inherent risk ratings. This session also provides a venue to introduce initial risk mitigation activities and remediation improvement targets. We will continue these efforts during follow-up meetings with individual risk owners.



After collecting all necessary information through the above methodologies, we will craft a custom risk universe for the State's Entity. Our industry expertise and risk management experience will inform this process.

Throughout the risk assessment, process and control owners will receive early and continuous feedback regarding corrective action measures and improvement opportunities.



Proposed activities and timeline

Our risk assessment will include the activities outlined below. Throughout the project, we'll provide regularly scheduled and as-needed update communications to inform stakeholders of objectives and progress. Below is an example work plan for a risk assessment and internal audit plan development engagement.

ACTIVITIES	TIMING							
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG
Project onboarding and planning	●							
Project kickoff meeting	●							
Initial review of financial information	●							
Prepare and distribute risk assessment surveys	●							
Identify and document risk owners	●							
Conduct interviews with risk owners	●	●						
Document business processes		●						
Communicate preliminary findings		●						
Map risks and develop a risk assessment report		●	●					
Scope risk-based internal audit units		●	●					
Develop a proposed internal audit plan			●					
Communicate internal audit plan to management			●	●	●			
Begin risk-based internal audit activities					●	●	●	●

Deliverables

Following the completion of the risk assessment, the State's Entity will receive:

- ✓ **Executive summary** of procedures performed, and findings and issues noted.
- ✓ **Workpapers** produced by our team in the performance of our assessment.
- ✓ **Risk-based internal audit plan**, with logical risk groupings organized into audit units, chronologically scalable to fit timeline requirements. If appropriate, we will present the plan to those charged with governance such as the Audit Committee.

Tools and techniques

We will use the following technologies and visualization tools to deliver the deeper risk insights you are looking for during this project:

Survey questionnaires

We will use Microsoft Forms to send risk assessment survey questionnaires to relevant the State's Entity personnel. This makes the process as easy and streamlined as possible for your staff.

Risk assessment reporting

At the conclusion of our assessment, the Entity will receive:

- A ranked list of risks, including key mitigating activities and areas of continued risk
- Risk assessment observations and recommendations for incorporation into the internal audit plan
- Risk rating criteria and risk analysis used to perform the assessment
- Interview and risk assessment workshop documentation

Risk Assessment Questionnaire

For each risk in the questionnaire, please provide:
1) a rating for impact if the risk event occurred
2) a rating for likelihood of occurrence of the risk event

1. What would be the impact if ethical misconduct is perpetrated by staff?

☐ Incidental

☐ Minor

☐ Moderate

☐ Elevated

☐ Major

2. What would be the likelihood that ethical misconduct is perpetrated by staff?

☐ Rare

☐ Unlikely

☐ Possible

☐ Likely

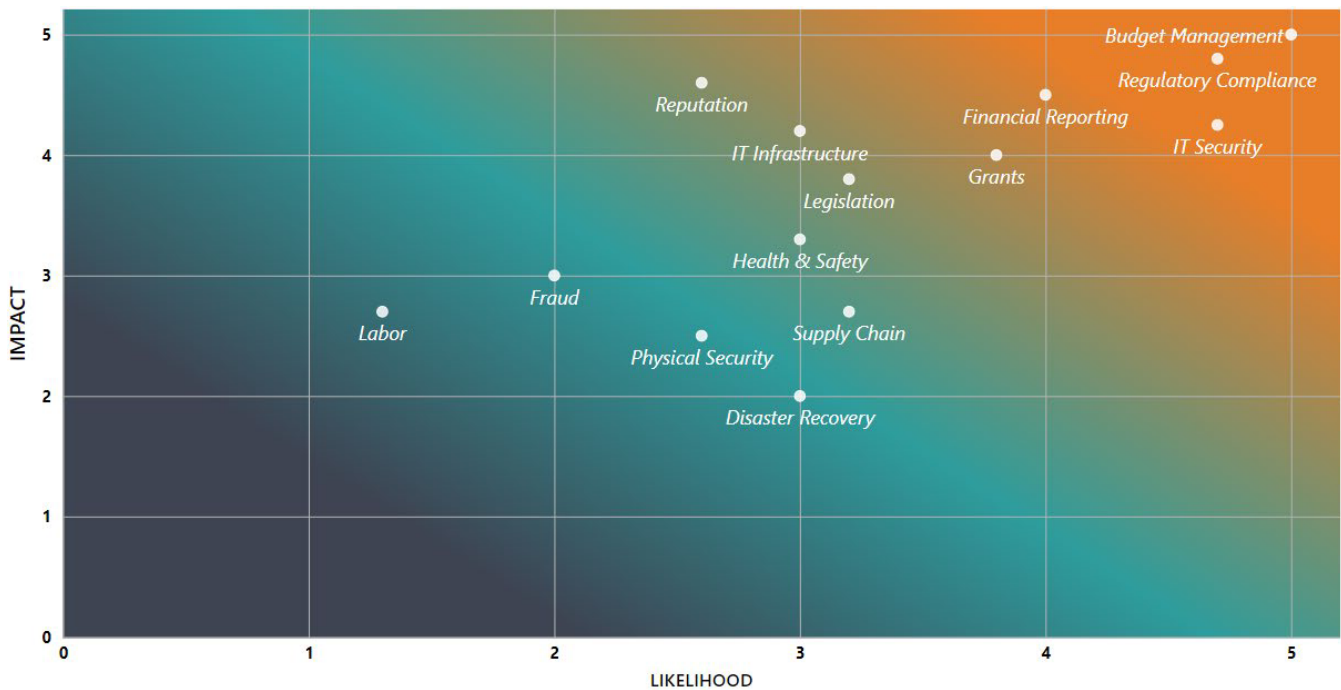
☐ Very Probable

Risk Rank	Risk	Risk Definition	Risk Status	Risk Scoring
#1	IT Security	<i>IT security is compromised by internal factors, cyber-attack, data intrusion, or other external factors.</i>	Key Mitigating Activities: - IT software and operating systems are kept up to date with the latest security and operational patches. - An endpoint security solution is implemented across all network endpoint devices.	<i>Mitigation Strength</i> 
			Areas of Continued Risk: - No requirement for employees to take cyber security trainings. - Employee emails can be accessed on their personal devices and downloading of sensitive data is not monitored.	<i>Residual Risk</i> 
#2	Regulatory Compliance	<i>Failure to comply with statutory laws and regulations results in financial and reputational losses.</i>	Key Mitigating Activities: - Finance works collaboratively with project management for grant reporting to verify compliance, eligibility is determined correctly, and timely filings. - For all regulatory filings, a workflow process is utilized to track filings and provide automatic notifications to the process owner.	<i>Mitigation Strength</i> 
			Areas of Continued Risk: - The workflow does not provide notifications to back-up process owners. - Lack of consistent formal documented procedures to verify that regulatory filings are properly and timely met.	<i>Residual Risk</i> 

Risk visualization in PowerBI

The combined results from our data review and collection activities will be used to generate interactive risk visualizations and dashboards in Microsoft PowerBI. In our experience, these visuals empower our clients to best manage their risk environments. These dashboards will provide the following benefits:

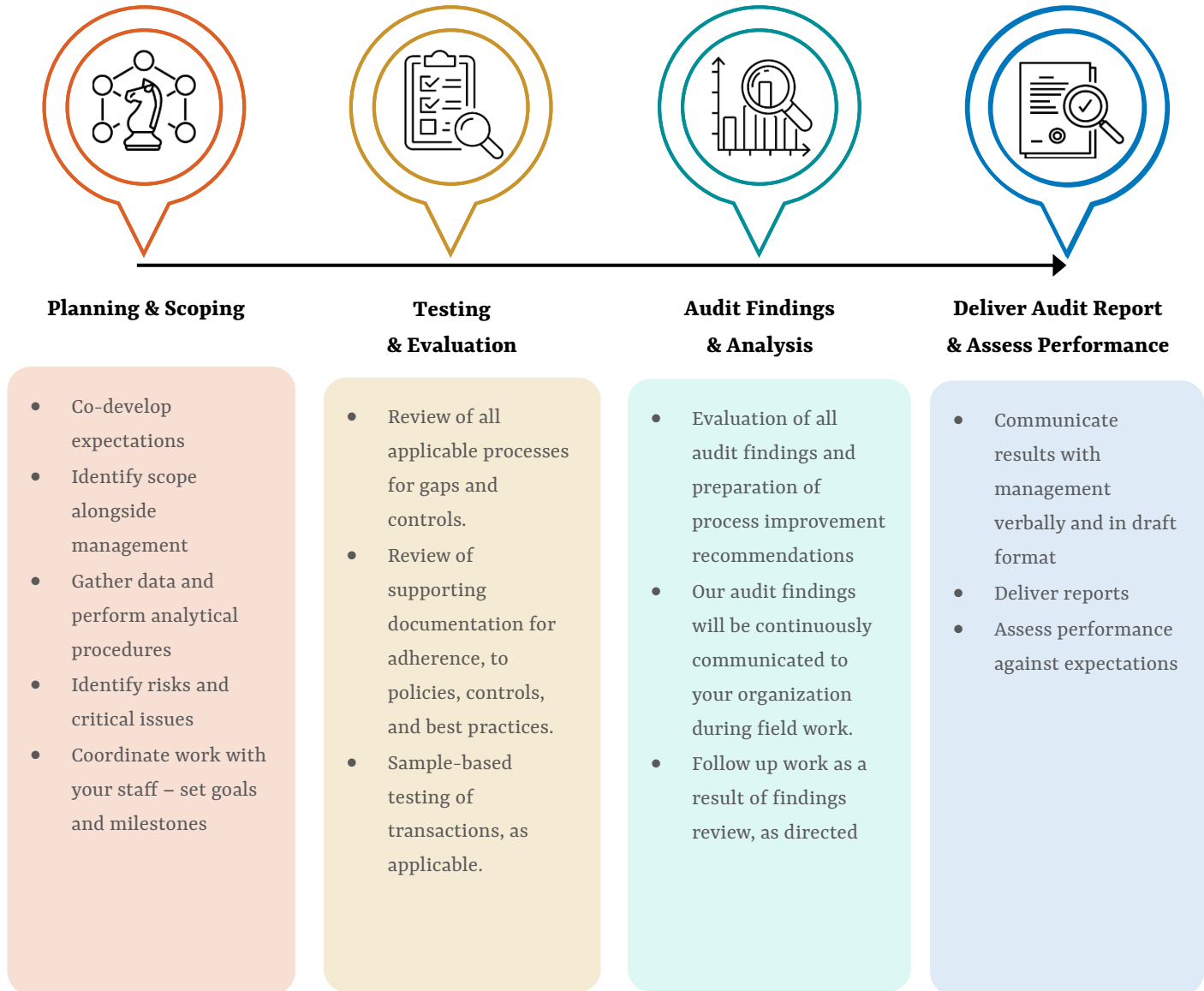
- Instantly understand risk level and prioritization
- Support consistency throughout the organization with a standardized assessment methodology
- Model your risk universe using best practices by mapping strategic objectives to key risks.
- Identify specific internal audit units and auditable risks that can be built into an audit plan.



Example internal audit workplan

Our internal audit methodology is organized into the following phased approach to ensure that project stakeholders are informed of current project objectives and activities. We will provide regular updates to the State Entity's leadership team on the status of each phase, as well as interim updates where practical to do so.

The approach is customized to fit the nature of each project, which has consistently produced high-quality results for our many clients. The keys to success are:



Project management techniques

Our team utilizes a variety of project managerial tools to keep all parties up to date on the status of the engagement. Using these project management tools ensures that our team's status and results are transparent to the State's Entity. We believe regular communication between our team and the State's Entity promotes transparency and successful projects. In addition to providing the State's Entity with project dashboards and regular updates on the status of the engagement, Plante Moran engagement team members will continuously solicit feedback to quickly deploy changes throughout the engagement to ensure management's critical needs and priorities are addressed. We deploy the following techniques to manage our projects effectively and efficiently and encourage communication with our clients:

- Utilizing Microsoft 365 integrated products such as Smartsheet to manage deliverables and Microsoft Planner to manage project tasks
- Scheduling regular status updates with the State's Entity
- Tailoring our services to ensure management's current needs and priorities are addressed



Project staffing approach

Based on this RFP we have allocated 1 partner, 1 principal, 1 senior manager, 1 manager, and 1 senior consultant. Depending on the Scope of Work from potential future RFPs from the State's Entities we have the capacity to add additional team members.

The benefit to the State and its Entities is that the depth of our team gives us the staffing capacity to provide first-class service to you. Future services requested by the State's Entities will fit into our projected and scheduled workload. Our deep bench of over 100 trained consultants and IT professionals allows us to assemble a robust team that is motivated to meet the State and its Entities' deadlines.

The State and its Entities will work with members of the national internal audit consulting team and many come from our wider governmental practice and have chosen governmental entities and other special purpose entity-type clients as a focus of their careers. One of the great advantages of our engagement team is you won't have to teach our team members about operational/performance, compliance, and financial auditing and risk assessment and audit plan development.

Approach for investigative audit

Ready when you need us

We understand the State's Entities are potentially looking for an investigative / forensics provider to partner with when you have challenging investigation needs. Between our investigative/forensic experts and our dedicated specialists, we have the necessary expertise to provide the services you request.

Fraud-related projects are sudden and largely unpredictable, so we know that we must be agile, flexible, and quick-moving. Most engagements begin with obtaining an understanding of the potential issue and determining the availability and location of evidence. Because we are accustomed to working on an emergency basis, we're responsive and quick – **generally, we can get a new project started three business days from the time we get your first call, working to begin the data collection and/or extraction process.**



Our typical investigation methodology

Our workplans are tailored to each client situation; but generally, most follow the below outline:



PHASE ONE | Information collection

Upon completion of a conflict check and execution of an engagement letter, we will work with our key point of contact to gain a full understanding of the concerns and work to be performed, including the analyses and interviews needed. We will set up a secure collaboration site to allow the State or its Entities' representatives working on the engagement to have access to the necessary information and documentation.



PHASE TWO | Data extraction and preparation

We will work with your personnel to gather the appropriate electronic data. Our information request for accounting and financial information usually includes:

- General ledgers
- Check registers
- Vendor master files ("VMF")
- Employee master files ("EMF")

- Invoice registers
- Monthly bank account statements and cancelled check images

At times, information critical to the investigation may be stored on a device, such as a laptop or cell phone, and/or within an employee's email account. If needed, our digital forensic experts will perform a forensic image of all applicable devices, ensuring the proper chain of custody is recorded and maintained. The physical device(s) containing your information will be stored in our secure lab.

We convert the information, as may be needed, into a format that is useable for data analytics. Additionally, we will perform interviews with key employees to obtain an understanding of processes in place.



PHASE THREE | Data analytics

If applicable to the matter, we routinely perform fraud red-flag data analytical tests on the information obtained to identify anomalies and unusual trends. We will also compile the various data sources together to ensure the analytics cover the entire population of transactions.



PHASE FOUR | Select detailed testing of transactions

This phase involves the detailed testing/analysis of select transactions flagged by our analysis/analytics in the previous phase. Our detailed testing may include, but is not limited to:

- Performing background research on key personnel and comparing their information to vendor and other employee information (e.g., addresses, businesses, bank accounts, etc.).
- Analyzing select supporting documentation (e.g., invoices, vendor public records, etc.) related to transactions flagged by our data analytics.
- Comparing canceled check information to the accounting records.
- Substantiating hours purported as worked by comparing time sheets to secondary supporting documentation (such as shift schedules, visitor logs, Outlook calendars, etc.)

We will compile and quantify those transactions that appear questionable, unsupported and/or problematic.



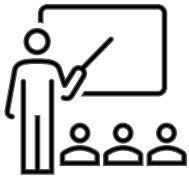
PHASE FIVE | Interviews

As needed, and permitted, we will conduct interviews with key employees. These interviews will be driven by the results of our analytics, research, and testing.



PHASE SIX | Finalization of reports

At the conclusion of our work, we will provide a report that summarizes our process, testing, and results. We can prepare our report in a manner that can be used to pursue criminal and/or civil actions or to file as a proof of loss in relation to an insurance claim. In addition, we often prepare a second report with recommendations to improve the control environment.



PHASE SEVEN | Fact or expert testimony in civil and/or criminal court

If applicable, we can assist in various court proceedings as a fact or expert witness. Several of our forensic accounting team members (including partners, principals, and senior managers) have testified in depositions, civil trials, and/or criminal trials. Our individual reputations are excellent and further supported by the firm's recognition as one of the best public accounting and consulting firms in the country.

Constant communication

When actively working on an engagement, we provide periodic updates to include:

A brief description of services performed, fees incurred to date, findings, and the anticipated workplan for the subsequent period (verbal or written, as requested). Upon receipt, our clients can decide if Plante Moran should proceed, modify, or halt analysis. We keep you in the know.

Project staffing approach

Based on this RFP we have allocated 1 partner, 1 principal, and 1 partner from our Cyber Forensic Service specialty area. Depending on the Scope of Work from potential future RFPs from the State's Entities we have the capacity to add additional team members.

The benefit to the State and its Entities is that the depth of our team gives us the staffing capacity to provide first-class service to you. Future services requested by the State's Entities will fit into our projected and scheduled workload. As previously stated, our deep bench of over 50 trained forensics/investigative consultants allows us to assemble a robust team that is motivated to meet the State and its Entities' deadlines.

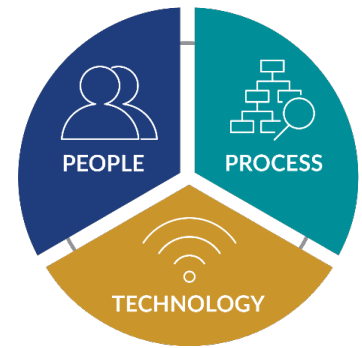
The State and its Entities will work with members of the national forensics consulting team and many come from our wider governmental practice and have chosen governmental entities and other special purpose entity-type clients as a focus of their careers. One of the great advantages of our engagement team is you won't have to teach our team members about forensics/investigative auditing.

Approach for information systems audit

Our team of cyber professionals will provide the State's Entity with the resources required to manage and lead various technology audits. Our approach develops functional and operational compliance controls to establish a risk-based IT audit plan.

Throughout our engagement with the State's Entity, we will assess your security measures through the lenses of people, process, and technology:

- **People:** End users are your first line of defense from cyber-attacks. While your staff probably work hard to provide fast service with the best of intentions, this elevates the risk of your staff clicking on links or attachments in phishing emails. They might think they are fulfilling seemingly legitimate requests, but doing so could allow hackers to install malicious software, request passwords or security questions/answers, or initiate wire transfers.
- **Process:** As threats constantly evolve, your processes to detect and resolve new threats must evolve as well. Patches to operating systems and third-party applications, for example, must be rigorously maintained to protect against the latest vulnerabilities. Your recovery planning process also needs to evolve to adequately address new threats.
- **Technology:** While IT supports and facilitates the State Entity's operations, it must also secure sensitive data and information entrusted to your organization. Whether you manage your IT in-house or outsource, strong controls are critical. You must ensure — not assume — that vendor processes and controls align with the latest security protocols and the expectations of your organization and stakeholders.



IT risk assessment and audit services

The first step of our project plan will include a comprehensive, enterprise-wide risk assessment to establish an audit library of risk-based projects. The risk assessment will help our team identify potential threats and vulnerabilities to the State's Entity as well as critical IT control processes and activities. Our framework employs a risk-based approach to evaluate controls over the confidentiality, integrity, and availability of your systems and data to meet various security and privacy regulations, including:

- Family Education Rights and Privacy Act (FERPA)
- National Institute of Standards and Technology (NIST)
- Health Insurance Portability and Accountability Act (HIPAA)
- Control Objectives for Information and Related Technology (COBIT)
- Gramm-Leach-Bliley Act (GLBA)
- Payment Card Industry Security Standard (PCI DSS)
- International Organization for Standardization (ISO 27001 series)
- General Data Protection Act (GDPR)
- Information Technology Infrastructure Library (ITIL)
- SANS CIS Security Controls

How we build an effective IT audit plan

Plante Moran practices a systematic approach to conducting IT risk assessments and developing prioritized, risk-based results. This process will provide the State’s Entity with a roadmap for building an effective IT audit plan and strategy.

Step 1: Assessment planning

This activity will focus on developing a plan for conducting an IT risk assessment. We will work with the State’s Entity staff to identify and confirm potential threats. We will also confirm the resources and interviews to be conducted and the overall project timing and communication, and then collect the required artifacts for the assessment.

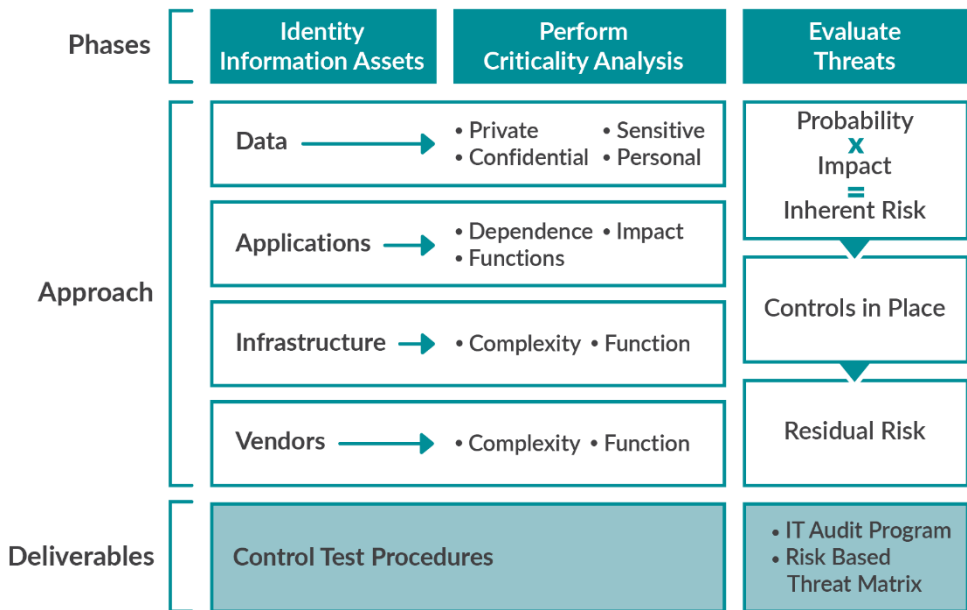
Step 2: Risk framework and identifying assessors

We will leverage NIST and ITIL to develop the security framework and other appropriate controls for the risk assessment. Our team will work with the State’s Entity to identify key assessors to assist with understanding and evaluating critical security processes and procedures. Based on our understanding of the State’s Entity IT security activities, we will establish our assessment plan and guidelines.

Step 3: Executing the risk assessment and developing the gap analysis

Risk assessment procedures will be conducted along with the collection of appropriate evidence. The results will be validated with various stakeholders to ensure they are accurate. Control gaps are identified and prioritized based on risk impact. Once the risk areas have been determined, we will leverage the results to define IT audit projects and critical audit areas and processes. Audit areas, processes, and functions for risk reporting will be confirmed with the State’s Entity during the planning of the risk assessment.

Based on the IT audit projects identified in the IT risk assessment, we will provide the State’s Entity with customized and targeted audit programs that focus on key areas of information security risk. The graphic below illustrates Plante Moran’s evaluation of risks in building an IT audit program.



IT audit workplan by phase

In conducting numerous IT audit projects, we are aware that many issues can impact the testing of controls and the overall success of the project. For example, if a well-defined audit plan that addresses objectives is not established at the beginning, the audit runs the risk of inefficiencies, overages in the project budget, lack of or incorrect technical staff resources assigned to the project, and other issues. Most importantly, these issues can lead to incorrect audit conclusions based on the associated audit objective.

To counteract these risks, we have developed a four-phase process to ensure project planning, execution, and reporting are performed efficiently and effectively. The workplan below describes the necessary activities to accomplish each IT audit project and its related objectives.



Phase 1: Planning

- **Project kickoff:** We will start by introducing Plante Moran project team members to the State Entity's project members and stakeholders.
- **Project planning and collaboration:** We will focus on planning, defining the project scope, and collaborating with the State's Entity to confirm project activities. For tracking purposes, we will develop a detailed project workplan.
- **Program management:** Activities will include status updates and communication-related to the project, such as project progress, control issues, and schedule conflicts, among others.
- **Documentation collection and review:** We will collect documentation, identify department objectives, and review department organization structures as part of building our understanding and risk profiles of departments.



Phase 2: Risk plan development

- **Creating/developing a risk framework:** Based on Phase 1, we will build a customized assessment framework using NIST and ITIL to identify audit risk areas.
- **Defining the IT risk universe:** We will identify significant business applications, software, and infrastructure to develop IT audit activities, projects, and subjects.



Phase 3: Risk assessment

- **Conducting a risk assessment:** We will perform our IT risk assessment, including control maturity levels to assist in the development of audit programs.
- **Compiling risk assessment results:** We will identify and prioritize potential IT audit risks, the impact of those risks, and mitigating factors already in place. We will review the results with the State's Entity to ensure the results align with your goals and objectives.



Phase 4: Reporting and closure

- **Developing an IT audit program:** This activity will focus on developing the audit workplan and programs based on the IT audit risk assessment results. The workplan will address the prioritized departments, processes, projects, and areas of risk. The audit plan will also include forecasted hours to complete the audit.
- **Finalizing the IT risk assessment and IT audit program:** At the conclusion of the IT risk assessment, we will share the results along with recommendations for managing IT hardware and software. We will also provide a five-year audit plan that will include:
 - ◆ A prioritized listing of potential IT audit projects based on the risk assessment performed.
 - ◆ A listing of the preliminary audit objectives for each audit project.
 - ◆ The estimated hours/cost to complete each project.
- **Closing the engagement:** We will deliver all workpapers and control testing documentation to the State Entity's team and other stakeholders as required. To conclude our procedures, we will sign off on workpapers and report project deliverable requirements as necessary.



Project staffing approach

Based on this RFP we have allocated 1 partner, 2 principals, 2 managers, and 1 senior consultant. Depending on the Scope of Work from potential future RFPs from the State's Entities we have the capacity to add additional team members.

The benefit to the State and its Entities is that the depth of our team gives us the staffing capacity to provide first-class service to you. Future services requested by the State's Entities will fit into our projected and scheduled workload. Our deep bench of over 100 trained IT consultants allows us to assemble a robust team that is motivated to meet the State and its Entities' deadlines.

Approach for data analytics/continuous monitoring

The two key words to describe our approach and methodology would be “collaborative” and “iterative”. Our goal is to actively engage with our clients and embrace the idea of trusted business advisors. Regardless of tools, a data project lives or dies by its ability to fulfill user requirements, and that is where it must begin — we need to understand the kind of information that is required of the system and the audience(s) who will be using it to ensure the correct architecture is set to support it, while still ensuring enough flexibility to support future data needs.

We have found the best way to do this is through collective collaboration, education, and brainstorming with a mixture of our client’s business and technical users.

We often see clients with analytics challenges that include data quality, lack of standards and policies, disparate data sets, and unclear decision procedures. Plante Moran has a four-phase approach which addresses each of these concerns. Each step in the process builds on those before it to first establish current state and identify need, articulate desired future state, and build out the detailed action steps to bridge the gap.

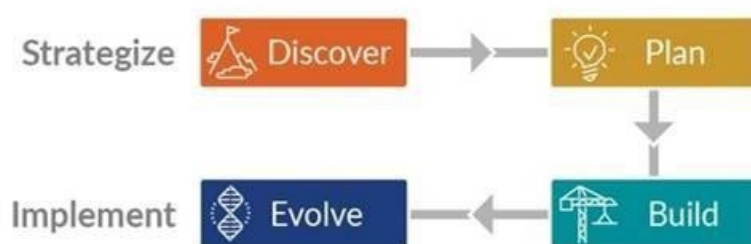


Figure 1 - Analytics Center of Excellence (ACE)

Phase 1: Discover

If you do not know where you are coming from, how can you figure out which path will get you to your desired destination? That question is at the heart of the Discover phase.

What does a day in the life of the organization’s staff look like? What is the audience for reporting? How do they use their current data and reports? What works well and what frustrates them? How is data stored and maintained? Do staff and decision makers trust the data they use, or do they question its accuracy and reliability? The answers to these and related questions provide a foundation of understanding that draws out requirements by making clear the current state, the future state, and any hurdles between them.

Phase 2: Plan

In the Plan phase, the information gleaned in the previous phase is used to build an efficient and trusted governance structure for analytics, including responsibilities and accountabilities at micro and macro levels. Longer-range goals are broken down into manageable, measurable chunks with milestones and decision points as required, and balanced out with short term wins.

Phase 3: Build

The Build phase is all about implementation, from data and reporting architecture to training initiatives and communication platforms. The goal of this phase is to establish reliable, repeatable best practices and to produce an initial set of analytics content and interactive dashboards. It is also important to set up a communication channel to provide people with important resources and transparency about the operations of the ACE.

The Build phase of ACE methodology executes on all items that were identified within the Plan phase. Note that this is an iterative process, and the plan phases will change during various iterations. These phases can include implementing and configuration of technologies and best practices to specific data governance initiatives to building out a data mart and corresponding dashboards/visualizations. During a typical initial Build phase, the client team will install and configure technologies that are needed to support specific roadmap items, which could include a cloud data platform, data management tools, a business intelligence tool, data governance tool, etc. Our team will educate users and enable consumers by following the communication plan.

Phase 4: Evolve

Analytics is not a ‘one and done’ endeavor. It is an ongoing, iterative process of evolution as requirements change over time. The ACE team needs to stay in touch with its stakeholders and customers, seeking feedback on changing needs and adjusting delivery for what is needed. The ACE framework is designed to enable the team to make agile decisions and adjust, pivot, and reprioritize, as necessary.

Throughout this phase, it is important for ACE leadership to hold themselves and their team accountable: stay connected with the team and the consumers of ACE-provided insights, follow up with staff regularly, using established processes to ensure they are meeting expectations and provide upskilling to continue to deliver.

The Evolve phase of ACE methodology is about monitoring and measuring your program, engaging users, and driving change with data.

Focus Areas

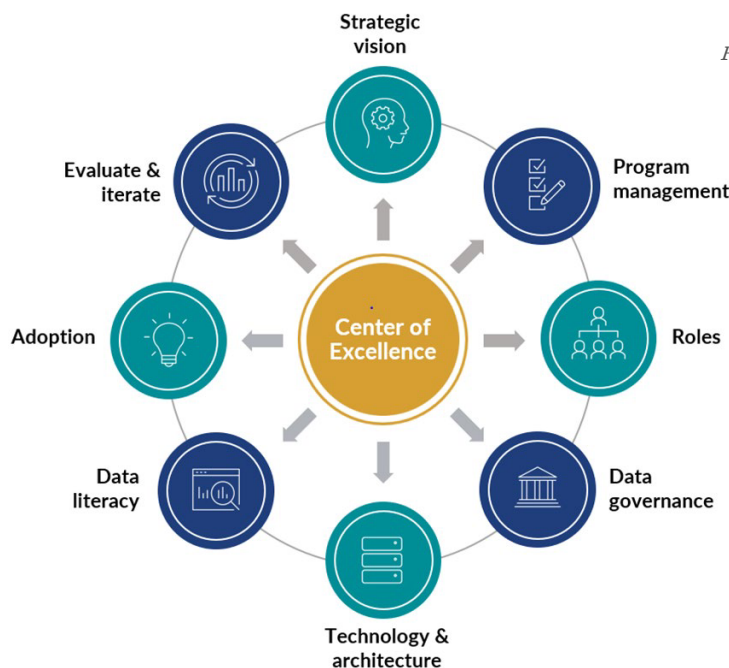


Figure 2 – Analytics Center of Excellence
(ACE) Focus Areas

There are eight areas of focus within an Analytics Center of Excellence

1. **Strategic Vision:** An analytics strategic vision is a high-level plan that outlines how an organization will use analytics to achieve its long-term goals and objectives. It provides a roadmap for leveraging data and insights to make informed decisions and drive business outcomes.
2. **Project Management:** Analytics program management involves the planning, execution, and oversight of analytics initiatives within an organization. It encompasses a range of activities, including project scoping, resource allocation, risk management, and stakeholder communication.
3. **Roles & Responsibilities:** A Center of Excellence (ACE) is a cross-functional team that provides expertise, guidance, and support to an organization in a specific area. In the context of data analytics, an ACE may be responsible for driving analytics strategy, developing best practices, and providing guidance on analytics tools and techniques.
4. **Data Governance:** Data governance is a set of processes, policies, standards, and guidelines that define how organizations manage their data assets. It encompasses the overall management of data, including how data is collected, stored, processed, and used to support decision-making.
5. **Technology & Architecture:** Together, data infrastructure and technology provide the foundation for data-driven decision-making within organizations. They enable organizations to collect, process, and analyze large amounts of data in real-time, providing insights that can be used to drive innovation, improve performance, and enhance customer experiences.
6. **Data Culture & Data Literacy:** Data culture is defined by what people think, say, and do about data. Data literacy refers to the ability to read, understand, analyze, and interpret data. It involves the skills and knowledge needed to work with data effectively, including understanding how data is collected, analyzed, and used to inform decision-making.
7. **Adoption:** Building a data community within an organization involves creating an environment where data is valued and utilized to make informed decisions.
8. **Evaluate & Iterate:** Monitoring and evaluating the success of an analytics program is critical to ensure that it is delivering value to the organization.

Project staffing approach

Based on this RFP we have allocated 2 partners, 1 senior manager, and 1 manager. Depending on the Scope of Work from potential future RFPs from the State's Entities we have the capacity to add additional team members.

The benefit to the State and its Entities is that the depth of our team gives us the staffing capacity to provide first-class service to you. Future services requested by the State's Entities will fit into our projected and scheduled workload. Our deep bench of over 75 trained data analytics consultants allows us to assemble a robust team that is motivated to meet the State and its Entities' deadlines.

Approach for accounting & financial services



	Measurable objectives	Deliverables/ milestones	Actions
<i>Phase 0</i> Project initiation/ management	Manage the defined project through to successful completion within budget and on schedule while meeting project goals and objectives	Project organizational structure: project plan, project collaboration environment, meeting agendas	- Define overall project objective - Develop project organizational structure; define roles and responsibilities - Develop high-level project plan - Establish project collaboration environment (SharePoint) - Schedule periodic project status meetings
<i>Phase 1</i> Discovery	Knowledge of current accounting practices and financial management environment	Interview schedule; PBC (prepared by client) list of documents	- Client interviews - Understand client structure, roles, and processes - Identify deficiencies and areas for improvement - Document gathering and review - Develop detailed project plan
<i>Phase 2</i> Triage	Accounting is correct and current; client has achieved legal compliance with applicable laws and regulations; revenue collection has been maximized; client current financial obligations have been met	Bank reconciliations; final trial balance; audit workpapers; new budget document; budget amendments; external reports	- Implement and execute detailed project plan - Correct accounting errors and omissions - Perform compliance-related tasks Make current client's business operations - Further define deficiencies and areas for improvement
<i>Phase 3</i> Transformation	Client accounting/ business processes have been improved to target level of accuracy and efficiency	Written "as is" and "to be" process narratives; utility rate model	- Develop "as is" and "to be" process narratives - Educate client management and staff on best practices - Implement proposed changes to processes
<i>Phase 4</i> Project maintenance	Plante Moran continues on-site or remote support and maintains current and accurate accounting records	Same as Triage, but current instead of catchup	- Continue to execute new accounting processes - Maintain compliance status
<i>Phase 5</i> Transition	Client regains self-sufficiency for accounting function	Transition plan; written project success summary; exit interview	- Develop and implement exit strategy for Plante Moran - Debrief with client prior to departure of Plante Moran - Provide report of project successes to management

Project staffing approach

Based on this RFP we have allocated 2 partners and 3 senior managers. Depending on the Scope of Work from potential future RFPs from the State's Entities we have the capacity to add additional team members.

The benefit to the State and its Entities is that the depth of our team gives us the staffing capacity to provide first-class service to you. Future services requested by the State's Entities will fit into our projected and scheduled workload. Our deep bench of over 250 trained governmental auditors and consultants allows us to assemble a robust team that is motivated to meet the State and its Entities' deadlines.

Approach for managerial/advisory services

Operational analysis

Operations analysis can generally be described as a comprehensive and systematic review of an organization, department, or function. This activity is designed to identify cost and service enhancement opportunities within the operation and devise methods for improving overall cost effectiveness. The analysis also focuses on optimizing the use of resources and emphasizes improved operational performance and efficiency. Resources in this context may include personnel, facilities, technology, materials and equipment.

Our firm's management consultants have significant experience in analyzing the functional and operational areas of governmental entities. These areas include:

- Overall administration and management
- Financial services
- Information systems services
- Public works activities
- Public safety services
- Purchasing and inventory practices
- Water and sewer operations
- Vehicle and equipment maintenance
- Community service and development functions
- Health and social services

Additionally, our consultants have assisted our government clients in evaluating the potential benefits of contracting for services. Our approach is designed to identify and assess both the advantages and disadvantages of this service option, including the full range of relevant cost, service and management issues.

Organizational planning & development

Our organizational planning and development consulting services focus on assisting government clients in realizing their full organizational potential by working with our clients to:

- Determine goals and objectives of the organization.
- Assess current operating environments.
- Recommend staffing level adjustments and the deployment of new staff.
- Determine appropriate organizational structures via comparison with similar organizations and best practices.

Included in these activities are the development of organization charts, the definition of reporting relationships, and the determination of authority and responsibility levels. Additionally, Organization Planning and Development includes the evaluation of communication channels and working relationships among all levels of administrative staff. Toward this end, particular emphasis is placed on defining information requirements essential for the effective performance of all organizational positions.

Project staffing approach

Based on this RFP we have allocated 1 senior manager. Depending on the Scope of Work from potential future RFPs from the State's Entities we have the capacity to add additional team members.

The benefit to the State and its Entities is that the depth of our team gives us the staffing capacity to provide first-class service to you. Future services requested by the State's Entities will fit into our projected and scheduled workload. Our deep bench of over 250 trained governmental auditors and consultants allows us to assemble a robust team that is motivated to meet the State and its Entities' deadlines.

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:	Troy Snyder
OFFICE PHONE #:	248-223-3273
MOBILE PHONE #:	248-770-4816
EMAIL:	troy.snyder@plantemoran.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:	Matthew Bohdan
OFFICE PHONE #:	248-223-3619
MOBILE PHONE #:	248-736-6285
EMAIL:	matthew.bohdan@plantemoran.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.

Attachments



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 <i>Vendors may enter provide rates for additional staff categories, if applicable.</i>		
Services Category	Staff Base Rate	Staff Upper Rate	Supervisor	Executive			
Operational/Performance Audit	\$175	\$225	\$275	\$425			
Investigative Audit	\$200	\$225	\$350	\$500			
Compliance Audit	\$175	\$225	\$275	\$425			
Information System Audit	\$175	\$225	\$275	\$425			
Risk Assessment and Audit Plan	\$175	\$225	\$275	\$425			
Development	\$175	\$225	\$275	\$425			
Financial Audit	\$175	\$225	\$275	\$425			
Data Analytic Services	\$225	\$275	\$300	\$425			
Managerial Advisory Services	\$185	\$245	\$350	\$425			
Accounting Services	\$155	\$175	\$250	\$375			

Plante Moran has also uploaded Attachment A: Cost Proposal to the State's procurement site Ariba.

Attachment D

HUB supplemental vendor information



ATTACHMENT D: HUB Supplemental Vendor Information

Solicitation #: DPC-646236801-MT

Vendor Name: Plante & Moran, PLLC

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 disabled, 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 #: N/A

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
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

Plante Moran has also uploaded Attachment D: HUB Supplemental Vendor Information to the State's procurement site Ariba.

Attachment E

Customer reference form

See pages 27-39 for our completed Reference Form.

Plante Moran has also uploaded Attachment E: Customer Reference Form to the State's procurement site Ariba.

Attachment F

Location of workers utilized by vendor



ATTACHMENT F: LOCATION OF WORKERS UTILIZED BY VENDOR

Solicitation #: DPC-646236801-MT

Vendor Name: Plante & Moran, PLLC

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.

N/A

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

N/A

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

Work will be performed in our offices located in Southeast Michigan; Cleveland, OH; Chicago, IL; and Denver, CO.

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



ATTACHMENT G: CERTIFICATION OF FINANCIAL CONDITION

Solicitation #: DPC-646236801-MT

Vendor Name: Plante & Moran, PLLC

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: N/A * (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.

* Plante Moran as a privately held accounting and consulting firm, the firm is not required to have an independent audit of its financial statements, nor has an audit been performed. Plante Moran is well-capitalized by the partner group. Plante Moran does not share full financial statements outside of the firm. See page 45 of our proposal response for a summary of our financial condition.

Troy A. Snyder
Signature

8/28/2023
Date

Troy A. Snyder
Printed Name

Partner
Title

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

North Carolina Certification of Financial Condition
Version Date: 09/2021
Page | 1

Plante Moran has also uploaded Attachment G: Certification of Financial Condition to the State's procurement site Ariba.

Certification for contracts, grants, loans, and cooperative agreements

Certification

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, Plante & Moran, PLLC, 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

Troy A. Snyder, Partner

Name and Title of Vendor's Authorized Official

8/28/2023

Date

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: ☐ N/A a. contract b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance		2. Status of Federal Action: ☐ N/A a. bid/offer/application b. initial award c. post-award		3. Report Type: ☐ N/A a. initial filing b. material change For Material Change Only: N/A year _____ quarter _____ date of last report _____	
4. Name and Address of Reporting Entity: ☐ Prime N/A ☐ Subawardee N/A Tier <u>N/A</u> , if known			5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime: N/A		
Congressional District, if known: N/A			Congressional District, if known: N/A		
6. Federal Department/Agency: N/A			7. Federal Program Name/Description: N/A CFDA Number, if applicable: <u>N/A</u>		
8. Federal Action Number, if known: N/A			9. Award Amount, if known: \$ N/A		
10. a. Name and Address of Lobbying Registrant (if individual, last name, first name, MI): N/A			b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI): N/A		
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: <u>Troy A. Snyder</u> Print Name: <u>Troy A. Snyder</u> Title: <u>Partner</u> Telephone No.: <u>248-223-3273</u> Date: <u>8/28/2023</u>		
Federal Use Only:				Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)	

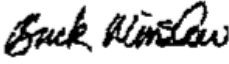
Plante Moran has also uploaded Attachment Certification for Contracts, Grants, Loans, and Cooperative Agreements to the State's procurement site Ariba.

Response and documentation



Legal right to practice in the State of North Carolina

License


NORTH CAROLINA STATE BOARD OF CPA EXAMINERS
1101 Oberlin Road, Suite 104, P.O. Box 12827, Raleigh, NC 27605-2827 (919) 733-4222 ncepaboard.gov
2023
CERTIFICATE OF REGISTRATION
This is to certify that PLANTE & MORAN, PLLC in Southfield, MI is a professional limited liability company organized and existing in compliance with Chapter 57C, 55B, and 93 of the General Statutes of North Carolina and the Rules of the Board. We further certify that this professional limited liability company is registered with the Board and is licensed to engage in the public practice of accountancy in this State for the year stated above.
January 24, 2023

Date
Authorized Signature

External review and regulatory action

Peer review report



8550 United Plaza Blvd., Ste. 1001 — Baton Rouge, LA 70809
225-922-4600 Phone — 225-922-4611 Fax — pncpa.com

A Professional Accounting Corporation

Report on the Firm's System of Quality Control

December 16, 2022

To the Partners of
Plante & Moran, PLLC
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Plante & Moran, PLLC (the firm) applicable to engagements not subject to PCAOB permanent inspection, in effect for the year ended June 30, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

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

Firm's Responsibility

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

Peer Reviewer's Responsibility

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

Required Selections and Considerations

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

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

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Plante & Moran, PLLC applicable to engagements not subject to PCAOB permanent inspection, in effect for the year ended June 30, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Plante & Moran, PLLC has received a peer review rating of *pass*.

Postlethwaite & Netterville

Postlethwaite & Netterville, APAC
Baton Rouge, Louisiana

NC Secretary of State registration

NC Secretary of State's Office



Secretary of State
Elaine F. Marshall

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Search Results

Records Found: 1 Search Type: Sosid Search Criteria: 0808376

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If the entity does not have an "Annual Report" button or monitor icon, the entity is not required to file annual reports with the NC Secretary of State's Office.

Entity Name			Actions
Sos Id	Date Formed	Status	Type
Plante & Moran, PLLC			i r + f
0808376	10/18/2005	Current - Active ⓘ	Professional Limited Liability Company

Business Registration

[Basics of Launching a NC Business](#)

[Forms/Fees](#)

[Frequently Asked Questions](#)

[Alerts!](#)

[Register a Foreign Business in NC](#)

[Statutes, Rules, and Legislation](#)

Searches



Table of exceptions

Below are the proposed exceptions to your Terms and Conditions outlined in your RFP. Wording in **red** represents proposed additions. Again, Plante Moran is open to negotiating these requested modifications and are confident that we will be able to reach mutually agreeable terms based on the State's standard contract provisions.

PAGE	SECTION / REFERENCE	PROPOSED EXCEPTION	RATIONALE
1	Execution, fifth paragraph	Please Modify as Follows: As required by Executive Order 24 (2017), the undersigned vendor certifies will comply with all Federal and State requirements applicable to vendor concerning fair employment and that it does not and will not discriminate, harass, or retaliate against any employee in violation of such legal requirements in connection with performance of any Contract arising from this solicitation.	Plante Moran can certify that it complies with legal requirements that apply to it, and that it will not discriminate, harass, or retaliate against any employee in violation of such legal requirements.
1	Execution, seventh paragraph	Please Modify as Follows: By executing this bid, Vendor certifies that it has read and, subject to the exceptions noted in its proposal, 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.	Plante Moran can agree that by executing this bid, it certifies that it has read the instructions and, subject to the exceptions in its proposal, agrees to them.
2	Acceptance	Please Modify as Follows: If your proposal is accepted, all provisions of this RFP and the exceptions noted in your proposal, 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, oOther terms and conditions may apply, as mutually agreed.	
12	4.0	Please Modify as Follows: This Section lists the requirements related to this RFP. By submitting a proposal, the Vendor agrees to meet all stated requirements in this Section, subject to the exceptions noted in Vendor's proposal, as well as any other specifications, requirements, and terms and conditions stated in this RFP, in each case subject to the exceptions noted in Vendor's proposal. 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-	Plante Moran would like to clarify that it is agreeing to meet the requirements in this section and any other specifications, requirements, terms, and conditions, subject to the exceptions noted in its proposal.

PAGE	SECTION / REFERENCE	PROPOSED EXCEPTION	RATIONALE
		and-answer period in accordance with the Proposal Questions Section above.	
17	4.10.a	Please Modify as Follows: 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 Vendor. 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.	Plante Moran's work papers are its property.
18	4.10.c	Please Modify as Follows: Confidentiality Any information, data, instruments, documents, studies or reports given to or prepared or assembled by the Vendor under this agreement ("Confidential Information") 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. "Confidential Information" does not include information that is publicly available at the time of disclosure or becomes publicly available after disclosure; information that is already known to Vendor; information received from a third party not known by Vendor to owe a duty of confidentiality to the soliciting Agency as to that information; or information that is independently developed by Vendor without using information disclosed by the soliciting Agency for the performance of services under this Agreement.	Plante Moran would like to add the indicated exclusions from the definition of "Confidential Information".
25	6.6, second paragraph	Please Modify as Follows: 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, except that Vendor is not required to continue performing its duties and responsibilities if the dispute involve nonpayment of amounts owed to it. 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.	Plante Moran would like to add the indicated exception.

Appendix



Diversity, equity, and inclusion

At Plante Moran, we strive to create a culture where each person feels accepted and valued. When we can recognize — and celebrate — our many human differences, we're able to create a workplace where all staff feel a sense of belonging and an opportunity to succeed.

Formed in 2003, Plante Moran's Diversity, Equity, and Inclusion (DEI) Council was established to guide the firm toward long-term success and growth in diversity practices. We recognize that when we increase our retention of diverse staff, we're building a pipeline of diverse future leaders of the firm. We're committed to making meaningful progress and becoming a better representation of the clients and communities we serve.



Some of the ways we live by our commitment:

- We facilitate **Core diversity, equity, and inclusion training** to build cultural awareness and establish belonging throughout the firm.
- Our **Diversity, Equity, and Inclusion Council** comprises our Women in Leadership (WIL) program, WorkFlex Committee, and Affinity Network.
- Our **Women in Leadership (WIL) program** provides resources, skills training, and support to increase the pipeline of women to partnership and includes a mentoring program that pairs senior partners with emerging female leaders.
- Our **WorkFlex Committee** is committed to providing initiatives for PMers to successfully balance their professional and personal lives.
- Our **Affinity Network** comprises staff resources groups (SRGs) that foster career development, retention, and networking among our diverse staff. We currently have the following SRGs:
 - African American SRG
 - PM Pride
 - UNIDOS
 - Asian American Pacific Islander SRG
 - Veterans SRG
 - Satellite SRG
 - Minds of All Kinds
- Our **TRACK Internship Program** introduces racially and ethnically diverse college freshmen and sophomores to the public accounting profession through partner shadowing, mentoring, and client engagement.
- Our **Diversity, Equity, and Inclusion Fellowship** is a three-year commitment for staff to assist with the development and implementation of firmwide diversity, equity, and inclusion initiatives.
- We actively engage with **professional and community organizations** that support diversity initiatives for recruiting and networking efforts. Organizations include:
 - State CPA societies
 - The National Association of Black Accountants (NABA)
 - Grow Detroit's Young Talent
 - Noble Network of Charter Schools Alumni externship program
 - Exceptional Academy

Read more and access our 2023 Diversity, Equity, and Inclusion Annual Report on our website: plantemoran.com/explore-our-thinking/info/global/diversity

Commitment to ESG

For nearly 100 years, we've likened our firm to an orchard. It has "trees" that represent our clients, staff, and investments in the firm. When new staff come to the firm, they gain the benefit of capturing the fruit from trees that were planted before them, but they also have the duty to plant new ones. We call this stewardship, and we take it very seriously.

Our environmental, social, and governance (ESG) stewardship extends beyond the walls of the firm.

We work together to:



ensure honest and orderly commerce among the businesses and government entities we serve



fulfill our social responsibility of maintaining a healthy workplace for our staff



advance underrepresented groups and minimize our impact on the environment

What our ESG commitment looks like in action



Our business

Corporate citizenship and business model resilience

- Ethics, fraud, and anti-corruption policies
- Legal and regulatory oversight
- Mechanisms for advice and concerns about ethics
- A culture that embraces change and innovation
- Formally documented business disruption programs for business continuity, disaster recovery, and cyber incident response

Environmental sustainability

- Multiple offices with the Leadership in Energy and Environmental Design (LEED®) certification
- Digital solutions for collaboration and client service, reducing office space, waste, and travel

Our clients

Independence, data privacy, and security

- Objectivity and freedom from conflicts of interest, in accordance with all professional standards
- Formalized risk management program that includes an annual external SOC 2 Type I assessment and internal risk assessment based on the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF)

Our people

A culture that puts our people first

- "Workplace for Your Day," our hybrid work model to promote work/life balance
- Flexible scheduling, alternative work arrangements, and dependent care support
- Financial wellness and mental health toolkits

Diversity, equity, and inclusion (DEI)

Read our published [DEI report](#) for more detail on:

- Actions to recruit retain, develop, and promote diverse staff, along with creating an equitable workplace that celebrates differences
- Staff resource groups that assist with managing diversity-related challenges in the workplace, and optimize diverse staff potential

Our community

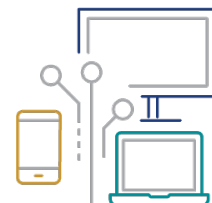
Business leadership and community support

- Participation in the AICPA and state CPA societies, including initiatives to increase the pipeline of diverse professionals in public accounting
- Corporate sponsor of [the Exceptional Academy](#) and local community partnerships, including the National Association of Black Accountants
- [PM Cares program](#)

Technology-driven analytics, automation, and security

Technology is a tool. Our people make it your advantage.

As you evaluate potential firms to partner with, the technology used by those firms is a factor you should consider. After all, technology-powered insights are essential to helping you understand the past, present, and future of your business. But the best insights aren't uncovered by technology alone. It's the experienced professionals who use it — analysts, data scientists, and audit and tax experts — who can deliver the true advantage.



As our client, The State will receive both: industry-leading audit and tax technologies, plus the right people to help you understand your business in ways you never could before. We'll make your financial trends more obvious and verify your risk is recognizable and healthy — all in a secure digital environment. Here's how:



Automation

We use advanced audit technologies (incorporating machine learning and intelligent automation) combined with our proprietary audit methodology. Our approach **reduces repetitive processes, identifies anomalies in your data, flags areas for further review, and scans your documents in ways human eyes can't**. Our tax technologies automate preparation, review, processing, delivery, and authorization of tax returns.



Collaboration

Our award-winning Client Collaboration Center is a HIPAA-compliant, full-service portal to **communicate and securely exchange data in a centralized location**. As a repository for project information, it allows us to collaborate with you remotely and provide transparency into engagement progress 24/7.



Security

Our cybersecurity policies and controls protect your data both in transit and at rest. At no point is your data ever unencrypted. **Our most recent third-party audit of our security controls resulted in an unqualified SOC 2 Type I report, meaning we do not have any gaps in our security controls**. We request all our audit software vendors provide a SOC 2 report as well. These efforts are in addition to regular security trainings and phishing tests, and the use of AI to detect malicious or unauthorized activities on our network.

Strategic relationships and resources

Our culture of ongoing innovation drives better results for our clients. That's why we've partnered with these leading technology providers to enhance your experience — and your outcomes:

MindBridge	Kira	Microsoft (PowerBI, SQL)	Bloomberg
Safesend	Wolters Kluwer	CaseWare IDEA	UiPath
Datasnippet	Alteryx	Tableau	Thomson Reuters

Get to know more about Plante Moran



Click the items below to learn more about additional Plante Moran resources and initiatives that may benefit you.

Committed to diversity, equity, and inclusion



We all belong at Plante Moran

[LEARN MORE](#)



Our commitment to our staff and clients

[WATCH VIDEO](#)



Serving you as you grow

[VIEW OUR FULL MENU OF SERVICES](#)



Do you have confidence in your cybersecurity controls?

[LEARN HOW WE CAN HELP](#)

A steady stream of resources to keep you updated



Browse our resources

[LEARN MORE](#)



Customize your email experience

[SUBSCRIBE NOW](#)



Results from our most recent client satisfaction survey

[WATCH THE VIDEO](#)

98%

of clients say we have knowledge of their industry.

98%

of clients say we understand their organization's needs.

98%

of clients believe we provide sound business advice.

We're passionate about giving back to our communities



[READ MORE](#)

Named one of America's Best Tax & Accounting Firms by Forbes

Consistently ranked on FORTUNE magazine's list of "100 Best Companies to Work For"

[VIEW COMPLETE LIST OF OUR AWARDS](#)



**We look forward to working with you.
Please contact us with any questions.**



Troy Snyder, CICA
Engagement Partner
248-223-3273
troy.snyder@plantemoran.com

According to our recent
client satisfaction survey,

98%

of clients say they

**would recommend
Plante Moran.**

ATTACHMENT A: PRICING FORM

COST SCHEDULE

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

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

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

Services Category	Staff Base Rate	Staff Upper Rate	Supervisor	Executive	OTHER PROFESSIONAL STAFF		
					Vendors may enter provide rates for additional staff categories, if applicable.		
Operational/Performance Audit	\$175	\$225	\$275	\$425			
Investigative Audit	\$200	\$225	\$350	\$500			
Compliance Audit	\$175	\$225	\$275	\$425			
Information System Audit	\$185	\$135	\$285	\$435			
Risk Assessment and Audit Plan	\$175	\$225	\$275	\$425			
Development	\$175	\$225	\$275	\$425			
Financial Audit	\$175	\$225	\$275	\$425			
Data Analytic Services	\$225	\$275	\$300	\$425			
Managerial Advisory Services	\$185	\$245	\$350	\$425			
Accounting Services	\$155	\$175	\$250	\$375			



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

Modifi- cation #	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.

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

Modifi- cation #	Solicitation Section	Current Solicitation Language	Updated Solicitation Language																																																			
		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).																																																				
3	Section 5.3 Vendor Re-sponsibilities	Soliciting Agencies shall complete a State-ment of Work form (Exhibit 3 attached) and submit the form to at least one (1) quali-fied vendors in the requested category.	Soliciting Agencies shall complete a State-ment of Work form (Exhibit 3 attached) and submit the form to at least two (2) qualified vendors in the requested category.																																																			
4	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>			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 the award	1000	NC License to Practice	4.6	Pass/Fail	External Review/Regulatory Action	4.7	Pass/Fail	Evaluation Criteria	RFP Section	Points	Vendor’s Relevant Background and Experience	4.4, 4.5	275	Financial Statements	4.8	150	Project Staffing	5.4	250	Technical Approach	5.5	200	Cost Proposal	4.9, Attachment A	125	TOTAL	700 required for award	1000	NC License to Practice	4.6	Pass/Fail	External Review/Regulatory Action	4.7	Pass/Fail
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5	Attachment A: Cost Proposal	See Current Attachment A	See Updated Attachment A – to provide for optional additional labor categories.																																																			

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

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.

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

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 " <i>Return Solicitation Document</i> " 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.

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

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, <i>Vendors may provide rates for one (1) or more service categories but may not necessarily receive approval for all categories submitted.</i>
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.

SOLICITATION NUMBER: DPC-646236801-MT
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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.

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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	<i>Submit Proposals section. Also referenced on Solicitation Addendum 1 with new due date for submission 8/29/23 at 2 pm.</i> 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	<u>4.10(a) Work Papers:</u> 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? <u>4.10(d) Records Retention:</u> 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: <u>Paragraph 2, Sentence 2</u> : 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: <u>28(d)(2) and (3)</u> : 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? <u>28(i) Access to Records</u> : Please see our Question in 13. <i>Access to Persons and Records</i> . <u>28(k) Records Retention</u> : Please see our Question in 20. <i>Care of State Data and Property</i> .	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://ncad-min.nc.gov/divisions/historically-underutilized-businesses-hub/certifications

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

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

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

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

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

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

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

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

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Question #	Document Section	Vendor Question	State's Response
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 how 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 behavioral specialist for operational/performance audits
124.	Section 4.8 Financial Statement	Could the State please clarify if vendors only have to provide one of these points, not all?	Yes, just one of the points.

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Question #	Document Section	Vendor Question	State's Response
125.	Section 4.7 External Reviews and Regulatory Action	Could the State please clarify if vendors who can provide point b but not point a are still eligible to bid 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 a 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.



REQUEST FOR CLARIFICATION

Issuing Agency:	Division of Purchase and Contract
Solicitation Number:	DPC-646236801-MT
Solicitation Description:	Supplemental Internal Audit Services
Date:	September 28, 2023
Contract Administrator:	Melinda Tomlinson

I. INSTRUCTIONS

1. Vendor should respond with a signed, completed version of this Request for Clarification via the Sourcing Tool by **Tuesday, October 3, 2023**.
2. Review the table below and the items for which the State is seeking clarification.
3. Provide any additional information requested in the clarification column.

II. ITEMS REQUIRING CLARIFICATION

Clarification #	Response Section/Item	Clarification	Vendor Explanation
1	Attachment A: Cost Proposal	The rates listed under the Professional Rates Schedule for Information Systems Audits do not match the rates listed in Attachment A. Do you agree that the rates listed in Attachment A: Cost Proposal for Information Systems Audits are the correct rates to use for evaluation? ☒ YES ☐ NO	This was an unintentional error. Pardon the oversight. I affirm that the rates listed in Attachment A: Cost Proposal for Information Systems Audits are the correct rates to use for evaluation.

III. VENDOR'S AUTHORIZED SIGNATURE

Vendor Name:	Plante & Moran, PLLC (dba Plante Moran)
Authorized Signature:	
Name & Title:	Troy A. Snyder, Partner
Date:	9/28/2023