

1. What are the foremost criteria you will utilize for evaluating and selecting the audit firm? What attributes or qualities do you prize the most in a prospective audit firm?

We will rely on expertise and experience in the non-profit space, ability to meet our deadlines and cost. Because of the volume of entities we manage, and the short time in which we have to complete the audit process, adherence to our timelines is extremely important. Deviation from the set audit timeline can upset the entire fall board meeting process and schedule.

2. What aspects of your relationship with the current audit firm do you value the most? Are there any improvements you would like to see in their service delivery or relationship?

With our current provider, we value the ability to meet deadlines as well as their availability throughout the year for conversation and advice. When implementing new standards, we will require interim planning and implementation.

3. Could you provide the audit and tax fees for the past three years? Between \$185k - \$205k per year.

4. Do you favor on-site audit work during the fieldwork stage, or do you consider remote/virtual work equally suitable? We believe there should be some onsite at the beginning stages of the audit, however remote/virtual work for the majority of the work is fine.

5. For the tax work, the estimated fees would be dependent upon the number of state tax returns required based off of the K-1 activity of the various partnership investments. How many state and local returns historically have been filed? How many foreign returns and forms have been required historically? For fee quotation purposes, would a fixed fee for the federal 990 be acceptable, with a separate per return fee for state returns and foreign filings required (which can be highly variable based upon the K-1 activity)? Between 3-5 foreign returns and 10-15 State returns. A separate fee for state and foreign returns is acceptable.

6. Does the Foundation's Accounting and Investments office prepare an analysis of K-1 activity specifically to identify state and foreign filing requirements, or is such analysis conducted entirely by the outside CPA firm? Analysis is conducted by the outside CPA firm.

7. The RFP notes that the engagement partner must attend all audit committee meetings in person to present the audit and 990. Is there any flexibility as to the in-person requirement, versus attending virtually (via Zoom or Teams), if lower fees could be offered for virtual presentations? For this year, the majority of our meetings will be held virtually (8/10). If the Foundation chooses to have an onsite meeting, we do prefer the presenter to be in person. We can realistically assume at least ½ of the future meetings will be virtual.

8. Historically, have the draft 990s been presented at the same audit committee meetings as the financial statements, or separately scheduled meetings? Same meeting.

9. Question 6 of the questionnaire in the RFP asks whether the firm participates in a partnership, alliance, or affiliation with a broader based professional group. Is NC State amenable to a proposal that incorporates professional personnel from more than one firm if such firms are part of an affiliation or network such as this? We are open a proposal that

incorporates work performed by professional personnel from more than one firm, affiliate or network stateside. We are not open to outsourcing fieldwork to non-professionals.

10. The majority of the NC State Investment Fund's investments are in the UNC Investment Fund (approximately 75% of total investments of the LTIP). When are the audited financial statements for the UNC Investment Fund available? What year-end does the UNC Investment Fund have? [UNCIF has a 6/30 year-end. We typically get their audited financial statements by the end of September. Because UNCIF has a month-end strike price that is not adjusted for accruals or year-end market value adjustments, we have not been required to wait for their statements in order to publish our own. We do receive an account balance confirmation from them for our audit.](#)