REQUEST FOR PROPOSALS (RFP)
Audit and Tax Compliance Services
Lenoir Community College Foundation, Inc.

RFP Issued: August 3, 2026
Proposal Due Date: September 1, 2026
Time Due: 5:00 p.m. (Eastern Time)

Submit Proposals To:
Jeanne Kennedy, Executive Director
Lenoir Community College Foundation, Inc.
P.O. Box 188
Kinston, NC 28502-0188
Questions concerning this Request for Proposals should be submitted in writing to:
Jeanne Kennedy, Executive Director
Email: jkennedy@lenoircc.edu

I. INTRODUCTION

A. General Information

The Lenoir Community College Foundation, Inc. (Foundation) is a North Carolina nonprofit corporation organized exclusively for charitable and educational purposes to support the mission of Lenoir Community College. The Foundation is recognized as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is required to file an annual Internal Revenue Service Form 990. The Foundation operates on a fiscal year beginning July 1 and ending June 30. The Foundation is requesting sealed proposals from qualified Certified Public Accounting (CPA) firms to provide independent audit services and tax compliance services for the fiscal years ending June 30, 2027, June 30, 2028, and June 30, 2029.

The selected firm will perform the annual financial statement audit and prepare the Foundation's annual IRS Form 990 and any other required tax filings. The Foundation seeks a CPA firm with demonstrated experience auditing nonprofit organizations, higher education foundations, and organizations subject to North Carolina governmental reporting requirements. A copy of the Foundation's most recent audited financial statements will be included with this Request for Proposals.

B. Procurement Schedule

The anticipated procurement schedule is as follows:

Activity	Date
RFP Issued	8/3/2026
Deadline for Written Questions	8/10/2026
Responses to Questions Issued	8/17/2026
Proposal Submission Deadline	9/1/2026
Evaluation of Proposals	9/8-9/10/2026
Interviews (if necessary)	9/15-9/16/2026
Selection of Firm	9/21/2026
Contract Approval	10/28/2026
Contract Begins	11/6/2026

The Foundation reserves the right to modify this schedule when necessary.

C. Contract Term
In accordance with guidance issued by the North Carolina Office of the State Auditor, the Foundation intends to award an initial contract for one (1) year, with the option, at the Foundation's sole discretion, to renew the contract for two (2) additional one-year periods. Following the completion of the three-year term, audit services shall be competitively procured through a new Request for Proposals process. Award of a contract shall be contingent upon approval by the North Carolina Office of the State Auditor, when required.

II. SCOPE OF SERVICES
A. Scope of Audit Services
The selected CPA firm shall perform an independent audit of the financial statements of the Lenoir Community College Foundation, Inc. for each fiscal year included in the contract. The audit shall include an examination of the books, records, accounting systems, internal controls, and all categories of net assets of the Foundation.

The audit shall be conducted in accordance with:

- Generally Accepted Auditing Standards (GAAS)
- Standards established by the American Institute of Certified Public Accountants (AICPA)
- Government Auditing Standards issued by the Comptroller General of the United States, when applicable
- Applicable North Carolina General Statutes
- Requirements of the North Carolina Office of the State Auditor (OSA)
- Requirements of the North Carolina Office of State Controller (OSC)

If the Foundation expends more than $750,000 in combined federal and/or state financial assistance during a fiscal year, the audit shall also comply with the applicable provisions of Government Auditing Standards and any other applicable federal or state audit requirements.

Financial Reporting Standards
Each year the Foundation shall be evaluated to determine whether it should be reported as a discretely presented component unit or blended component unit of Lenoir Community College. If discretely presented, the Foundation's financial statements shall be prepared in accordance with applicable Financial Accounting Standards Board (FASB) standards governing nonprofit organizations. If blended, the financial statements shall be prepared in accordance with Governmental Accounting Standards Board (GASB) standards. The audit shall include a determination that the financial statements have been prepared in accordance with the applicable accounting framework. The CPA firm shall recognize that statewide accounting policies established by the North Carolina Office of State Controller apply where applicable.

Audit Report
Upon completion of the audit, the CPA firm shall issue an Independent Auditor's Report expressing an opinion regarding the fair presentation of the Foundation's financial statements in accordance with generally accepted accounting principles. The CPA firm shall issue any additional reports required by:

- Government Auditing Standards
- North Carolina Office of the State Auditor
- North Carolina Office of State Controller
- Applicable federal or state regulations

Audit Hour Disclosure
In accordance with North Carolina General Statute §147-64.6D, each audit report shall disclose:

- Total audit hours
- Total cost of conducting the audit

The disclosure shall appear on the final page of the audit report in substantially the following format:
This audit required ______ audit hours at a cost of $__________.

Additional explanatory information may accompany this disclosure provided the required statement remains intact.

Pre-Audit Conference
Prior to beginning fieldwork, the CPA firm shall meet with Foundation and College personnel to:

- Establish the audit timetable
- Review significant accounting issues
- Discuss changes in accounting standards
- Identify prepared-by-client schedules
- Coordinate audit logistics
- Establish communication expectations

Assistance Provided by the Foundation
Foundation personnel and College Business Office staff will provide reasonable assistance during the engagement, including:

- Financial records
- General ledger reports
- Investment schedules
- Bank reconciliations
- Endowment activity
- Supporting documentation
- Prepared-by-client schedules
- Additional information requested during the audit

Audit Deliverables
The CPA firm shall provide:

- Draft audited financial statements
- Draft Independent Auditor's Report
- Draft management letter
- Final audited financial statements
- Final Independent Auditor's Report
- Final management letter
- Required communications to those charged with governance
- Any additional reports required under professional standards

Draft reports shall be submitted no later than August 1 of each fiscal year. Final reports shall be submitted by a mutually agreed-upon date that allows Lenoir Community College sufficient time to complete all required year-end reporting to the North Carolina Office of State Controller, including submission of required component unit information for the State's Annual Comprehensive Financial Report (ACFR).
A post-audit conference shall be conducted with Foundation representatives to review the audit results, management recommendations, and any significant findings.

Report Preparation
Preparation, editing, printing, binding, and electronic production of the audit report shall be the responsibility of the CPA firm.
The proposed fee shall include:

- Editing
- Printing
- Binding
- Delivery
- Electronic PDF copies
- At least 30 bound copies of the final audit report

No additional reimbursement will be made for travel, printing, shipping, or other incidental expenses.

Working Papers and Audit Documentation
The CPA firm shall retain all audit documentation and working papers for a minimum of three (3) years after completion, termination, or expiration of the contract, or other record retention requirements set by the State Archives of North Carolina in the North Carolina Department of Natural and Cultural Resources. Pursuant to N.C.G.S. §147-64.7(a)(4), the North Carolina Office of the State Auditor shall have the right to review audit documentation associated with this engagement. The CPA firm shall make available any records, files, personnel, or documentation requested by:

- Lenoir Community College Foundation
- Lenoir Community College
- North Carolina Office of the State Auditor
- North Carolina Office of State Controller
- Authorized governmental representatives

The CPA firm shall cooperate with successor auditors and permit reasonable access to working papers concerning matters of continuing accounting significance.

Submission of Audit Reports
The CPA firm shall provide all reports necessary to enable the Foundation and the College to satisfy applicable reporting requirements established by the North Carolina Office of the State Auditor and the North Carolina Office of State Controller.
The Foundation will submit required audit reports to the appropriate state agencies unless otherwise specified in the final contract.

Compliance with State Requirements
The CPA firm shall comply with all applicable:

- North Carolina General Statutes
- Office of the State Auditor requirements
- Office of State Controller reporting requirements
- Generally Accepted Auditing Standards
- Government Auditing Standards
- Professional standards applicable to nonprofit organizations

Failure to comply with applicable standards may constitute grounds for termination of the contract.

B. Scope of Tax Compliance Services
The selected CPA firm shall prepare the Foundation's annual federal and applicable state tax filings, including Internal Revenue Service Form 990, Return of Organization Exempt From Income Tax, together with any required schedules, disclosures, and supplemental filings. The CPA firm shall prepare all returns using information provided by the Foundation and Lenoir Community College and shall provide completed returns to the Foundation for review prior to filing.

The Foundation shall retain responsibility for final review, approval, signature, and submission of the returns unless otherwise agreed in writing.

The CPA firm shall also provide tax research and consultation throughout the year regarding nonprofit taxation, charitable contributions, unrelated business income, changes in tax law, and other matters affecting the Foundation's tax-exempt status.

The CPA firm shall coordinate preparation of tax filings with the annual audit to ensure consistency between audited financial statements and tax reporting.
Material differences identified between financial reporting and tax reporting shall be communicated promptly to Foundation management.

All tax workpapers, correspondence, and supporting documentation shall be retained for a minimum of three (3) years and shall be made available upon request to the Foundation, the College, successor auditors, and authorized governmental representatives.

III. PROPOSAL SUBMISSION REQUIREMENTS

A. Proposal Submission

To be considered for selection, proposers shall submit one (1) complete Technical Proposal and one (1) separate Cost Proposal no later than **5:00 p.m. (Eastern Time) on September 1, 2026.**
Proposals shall be submitted to:
Lenoir Community College Foundation, Inc.
Attn: Jeanne Kennedy, Executive Director
P.O. Box 188
Kinston, NC 28502-0188
Electronic submissions will be accepted by the Foundation prior to the proposal submission deadline.
Late proposals will not be considered unless the delay is solely attributable to the Foundation.

B. Questions Regarding the RFP

Questions concerning this Request for Proposals shall be submitted in writing to:
Jeanne Kennedy, Executive Director
Lenoir Community College Foundation, Inc.
Email: jkennedy@lenoircc.edu
Questions received by the stated deadline, together with the Foundation's responses, may be distributed to all prospective proposers to ensure that all firms receive the same information.
No oral interpretation of this RFP shall be binding.

C. Proposal Acceptance

Submission of a proposal constitutes the proposer's acknowledgment that it has carefully reviewed this Request for Proposals and agrees to comply with its requirements unless specific exceptions are clearly identified in the proposal and accepted by the Foundation.
The Foundation reserves the right to:

- Reject any or all proposals;
- Waive informalities or minor irregularities;
- Request clarification or additional information;
- Conduct interviews or presentations;
- Negotiate with one or more proposers; and
- Award a contract determined to be in the best interest of the Foundation.

The Foundation is not obligated to award a contract to the lowest-cost proposer.

D. Contract Approval
The selected CPA firm shall enter into a written agreement approved by the Foundation.
When required by North Carolina General Statutes and guidance issued by the North Carolina Office of the State Auditor, the contract shall be submitted to the Office of the State Auditor for review and approval before audit services begin.

IV. TECHNICAL PROPOSAL REQUIREMENTS

The Technical Proposal shall address each of the following items in the order presented.
Failure to provide requested information may result in the proposal being determined non-responsive.

A. Firm Qualifications
Describe the firm's history, size, office locations, ownership, and experience in providing audit and tax compliance services to nonprofit organizations, foundations, colleges, universities, governmental entities, and similar organizations.

B. Independence
Provide an affirmative statement that the firm is independent of the Lenoir Community College Foundation as required by Generally Accepted Auditing Standards.
Disclose any existing or potential conflicts of interest.

C. North Carolina Licensure
Provide evidence that:

- the firm is licensed to practice public accounting in North Carolina; and
- all key personnel assigned to the engagement possess all required professional licenses.

D. Engagement Team
Identify all personnel expected to perform work on this engagement.
Include:

- Name
- Title
- Professional certifications
- Years of experience
- Years with the firm
- Relevant nonprofit audit experience
- Specific responsibilities

Identify the engagement partner and audit manager.

E. Estimated Audit Hours
Provide the anticipated number of audit hours by staff classification.
At a minimum include:

Classification	Estimated Hours
Partner	
Manager	
Senior Auditor	
Staff Auditor	
Other	

F. Experience with Similar Organizations
Identify nonprofit organizations, community colleges, college foundations, governmental entities, or similar organizations audited during the past three years. Include:

- Client name
- Type of organization
- Years served
- Services performed

G. Peer Review Report
Include a copy of the firm's most recent external Peer Review Report.
The Foundation reserves the right to reject proposals from firms whose most recent peer review contains a Fail rating or who have not undergone a peer review within the preceding three years, unless otherwise permitted by applicable guidance.

H. Regulatory Actions
Describe any investigations, disciplinary actions, sanctions, litigation, or regulatory proceedings involving the firm or key personnel during the past three years. If none, state "None."

I. Audit Approach
Describe the firm's proposed approach, including:

- Planning process
- Risk assessment
- Internal control review
- Communication process
- Use of technology
- Quality control procedures
- Proposed timetable
- Expected deliverables

J. Prepared-by-Client Schedules
Provide a detailed list of schedules, reconciliations, and supporting documentation expected to be prepared by Foundation or College personnel.

K. Insurance
Provide evidence of professional liability insurance and any other insurance applicable to the engagement.

V. COST PROPOSAL
The Cost Proposal shall be submitted separately from the Technical Proposal.
The Cost Proposal shall include all costs associated with providing the requested services.
The proposal shall include all direct and indirect expenses, including travel, administrative costs, printing, technology, supplies, shipping, and all other expenses necessary to complete the engagement.
No additional reimbursement shall be made unless specifically authorized in writing by the Foundation.

Cost Proposal Form
Firm Information
Firm Name: ____

Address: ____

Primary Contact: ____

Telephone: ____

Email: ____

Proposed Professional Fees

Service	FY2027	FY2028	FY2029
Audit Services	$______	$______	$______
IRS Form 990 Preparation	$______	$______	$______
Other Required Tax Filings	$______	$______	$______
Other Services (Describe)	$______	$______	$______
Maximum Not-to-Exceed Fee	**$______**	**$______**	**$______**

Billing Schedule
Describe proposed billing schedule.

Payment Terms

Additional Charges
Identify any circumstances that could result in additional fees.
If none, indicate **None**.

Estimated Audit Hours
FY2027 ____________________
FY2028 ____________________
FY2029 ____________________

VI. PROPOSAL EVALUATION

Proposals will be evaluated using a best-value methodology.
Selection will be based on qualifications, technical merit, demonstrated experience, responsiveness to this Request for Proposals, and cost.
Consistent with guidance issued by the North Carolina Office of the State Auditor, the Foundation may determine that the proposal with the lowest cost does not represent the best overall value.
Evaluation factors include:

Criteria	Consideration
Qualifications and Experience	Experience with nonprofit organizations and higher education foundations
Technical Approach	Audit methodology and understanding of engagement
Key Personnel	Qualifications and experience of assigned staff
Similar Engagements	Relevant audit experience
Peer Review Results	Most recent peer review report
Regulatory History	Professional standing
Responsiveness	Completeness of proposal

Criteria	Consideration
Cost	Overall value to the Foundation

The Foundation reserves the right to interview one or more firms before making a final selection.

VII. TECHNICAL PROPOSAL CHECKLIST

The Technical Proposal shall include:

☐ Cover Letter
☐ Firm Qualifications
☐ Independence Statement
☐ North Carolina Licensure
☐ Organizational Chart (optional)
☐ Engagement Team
☐ Estimated Audit Hours
☐ Similar Clients
☐ Most Recent Peer Review Report
☐ Regulatory Actions Disclosure
☐ Insurance Certificate
☐ Audit Methodology
☐ Communication Plan
☐ Prepared-by-Client Schedule List
☐ Proposed Timeline
☐ References

VIII. COST PROPOSAL CHECKLIST

The Cost Proposal shall include:

☐ Completed Cost Proposal Form
☐ Billing Schedule
☐ Payment Terms
☐ Maximum Not-to-Exceed Fee
☐ Additional Charges Disclosure
☐ Estimated Audit Hours

IX. SIGNATURE PAGE

The undersigned certifies that the information contained in this proposal is true and correct and that the proposer agrees to provide the services described in this Request for Proposals in accordance with the terms and conditions contained herein.

Firm Name

Authorized Representative

Title

Signature

Date

APPENDIX

The Foundation will include the following documents as appendices to this Request for Proposals:

- Appendix A – Most Recent Audited Financial Statements