

MINNESOTA STATE COLLEGES AND UNIVERSITIES
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Audit Committee

BOARD OF TRUSTEES
MINNESOTA STATE COLLEGES AND UNIVERSITIES

BOARD INFORMATION
SELECT EXTERNAL AUDIT FIRM(S) FOR SYSTEMWIDE EXTERNAL AUDITING SERVICES

1 BACKGROUND

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3 In January 2014, the Board of Trustees approved a motion for the Office of Internal Auditing and
4 the Finance Division to prepare a request for proposal (RFP) to solicit interest from external
5 audit firms. This RFP solicited external audit services for nine financial statements audits for
6 fiscal years 2014, 2015 and 2016, A133 compliance audits of federal student financial aid for
7 fiscal years 2014, 2015, 2016, and completion of NCAA Agreed Upon Procedures at six
8 universities for fiscal year 2015. Specific work in scope includes

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- Systemwide financial statement audit
 - 11 • Revenue Fund financial statement audit
 - 12 • Bemidji State University financial statement audit
 - 13 • Metropolitan State University financial statement audit
 - 14 • St. Cloud State University financial statement audit
 - 15 • Winona State University financial statement audit
 - 16 • iSeek Solutions financial statement audit
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28 The Executive Director of Internal Auditing and the Vice Chancellor – Chief Financial Officer
29 have led a process to identify external auditing firm(s) to recommend to the Board of Trustees
30 for the above system audits. A request for proposals (RFP) was published in the State Register
31 on February 18, 2014. In addition, the RFP was distributed to 16 interested public accounting
32 firms. The RFP sought external auditing firms interested in providing systemwide external
33 auditing services for fiscal years 2014 to 2016, as described above. In addition, the RFP
34 requested firms to submit pricing parameters for additional college and university audits were
35 requested. The RFP stated that proposals could be submitted for all components, a package of
36 components, or for individual components. The deadline for submitting proposals was March
37 13, 2014.

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39 Six public accounting firms responded to the RFP and submitted proposals. Four of the firms
40 submitted package pricing on all components, as well as individual components. Two additional
41 firms submitted proposals only on select components contained in the RFP.

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43 The proposals were reviewed by representatives of the Office of Internal Auditing, MnSCU
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70 RECOMMENDED COMMITTEE ACTION

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72 The Audit Committee recommends that the Board of Trustees approve the following motion:
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74 RECOMMENDED BOARD OF TRUSTEES MOTION

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76 The Board of Trustees approves the appointment of CliftonLarsonAllen to serve as the
77 systemwide external auditor for the Minnesota State Colleges and Universities.

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79 The term of this appointment begins upon execution of a contract and shall continue to fulfill
80 external auditing needs for the three fiscal years from June 30, 2014 through 2016. The Boa
81 Trustees authorizes the Executive Director of Internal Auditing and the Vice Chancellor/Chief
82 Financial Officer to negotiate a contract with CliftonLarsonAllen consistent with the terms
83 contained in its proposal dated March 6, 2014.

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95 *Date Presented to the Board of Trustees: April 23, 2014*

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