



**MINNESOTA STATE**  
Board of Trustees

**AGENDA ITEM SUMMARY**

**NAME:** Audit Committee

**DATE:** January 24, 2023

**TITLE:** Select Audit Firm for Internal Auditing Services

- Proposed New Policy or Amendment to Existing Policy       Approvals Required by Policy       Other Approvals
- Monitoring/Compliance       Information

**PRESENTERS**

Amy Jorgenson, Chief Audit Officer

**PURPOSE**

The Office of Internal Auditing plans to enter into a five-year contract with Baker Tilly to provide co-sourced strategic internal auditing services for a total amount not to exceed \$3 million.

**BACKGROUND INFORMATION**

A competitive bidding process began in September 2022 to acquire co-sourced strategic internal auditing services for five years.

Proposals were sought from parties interested in providing supplemental internal audit services with an established rate structure. The types of services and work requested will include but are not limited to, operational, financial, information technology, compliance audits, risk assessments, fraud investigations, advisory and consulting, program evaluation, data analytics, and professional training.

The Chief Audit Officer led a process to identify internal auditing firm(s) to recommend to the Board of Trustees for the above services and work. A request for proposals (RFP) was published on Minnesota State's Vendor Supplier Website. A post was made to the State Register and sent out through Minnesota State's Social Media outlet. In addition, the RFP was distributed to interested public accounting firms through a list maintained by the Office of Internal Auditing and the Vendor Supplier Site Listserv. Additional contacts were sought through the Minnesota Department of Administration's Targeted Vendors list and through the Office of Equity and Inclusion. The deadline for submitting proposals was November 9, 2022.

The proposals were reviewed by representatives of the Office of Internal Auditing and Lori Kloos, Audit Committee Presidential Liaison. The group evaluated the proposals based on the selection criteria cited in the RFP, which included the qualifications of the firm and its personnel with an emphasis put on broad higher education experience and thought leadership, an

expressed understanding of objectives, the proposed work plan, and the cost detail.

Based on its evaluation of the selection criteria, the review group recommends that the firm of Baker Tilly be appointed to serve as the internal auditing firm for the Minnesota State for five years beginning July 1, 2023. Baker Tilly has extensive experience in serving higher education institutions and higher education systems nationally. In addition, the firm has extensive experience with the Minnesota State system. The firm has consistently provided high quality services to the system and has a dedicated and highly experienced team.

The proposed contract will exceed \$1 million and will need to be reviewed by the Finance and Facilities Committee and approved by the full Board.

**RECOMMENDED COMMITTEE MOTION**

The Audit Committee recommends that the Board of Trustees approve the following motion:

**RECOMMENDED BOARD MOTION**

The Board of Trustees authorizes the chancellor or his designee to execute a five-year contract with Baker Tilly to provide co-sourced strategic internal auditing services for a total amount not to exceed \$3 million. The Board delegates to the chancellor, or his designee, authority to execute all necessary documents.

*Date Presented to the Audit Committee: 01/24/23*

*Date Presented to the Board of Trustees: 01/25/23*