

Office of Audit, Risk and Compliance Audit Service Provider Selection

BACKGROUND

In July 2022, Oregon State University (OSU) received proposals from qualified contractors to perform an audit of the OSU financial statements, a compliance audit in accordance with the Federal Office of Management and Budget Uniform Guidance and the National Collegiate Athletic Association (NCAA) Agreed Upon Procedures. OSU's annual financial statements are currently prepared by the University Shared Services Enterprise which provides financial reporting to participating Oregon higher education institutions.

INFORMATION

The typical annual external audit cycle for these engagements is as follows:

- NCAA financial reporting agreed upon procedures – *Fieldwork*: November/December; *Reporting*: December; *Board Committee Presentation*: January
- Financial statements and federal compliance audit – *Scheduling*: January-February; *Control Testing*: March/April; *Fieldwork*: Summer; *Reporting*: Fall; *Board Committee Presentation*: January

The audit firm evaluation was conducted in two stages. The initial evaluation criteria were designed to bring forth the firms with the strongest qualifications based upon ratings of their submitted statement of work, proposer's qualifications, price of the goods or services, quality of proposal, and responsiveness to the submittal component. Three finalists were selected from the initial screening. The second stage included firm interviews and an evaluation of written responses to questions outlined by the evaluation committee. The overall ranking was based upon three evaluation criteria: ability to meet scope of work, presentation, and price. One firm ranked higher, which is the basis for the recommendation.

The evaluation committee was comprised of:

- Darry Callahan, OSU Board of Trustees
- Julia Brim-Edwards, OSU Board of Trustees
- Patricia Snopkowski, Chief Executive of Audit, Risk and Compliance
- Heidi Sann, Associate Vice President for Finance & Controller
- Keith Raab, Director of Financial Aid

STAFF RECOMMENDATION

Staff recommends that the Executive and Audit Committee approve the firm selected by the evaluation committee, CliftonLarsonAllen LLP. The resulting contract will be initially awarded for services for three years expiring February 28, 2027 (unless otherwise terminated). The contract may be extended to perform the services for up to two additional three-year terms, for a possible total of seven audit periods ending February 28, 2033, as such services are needed.