MINNESOTA STATE COLLEGES AND UNIVERSITIES

System Office

REQUEST FOR PROPOSAL (RFP)
FOR EXTERNAL AUDITING SERVICES
OF SEVEN COLLEGES AND UNIVERSITIES
FISCAL YEARS 2012 - 2013

SPECIAL NOTE: This Request for Proposal (RFP) does not obligate the Minnesota State Colleges and Universities system, its Board of Trustees or System Office to award a contract or complete the proposed project and each reserves the right to cancel this RFP if it is considered to be in its best interest. Proposals must be clear and concise. Proposals that are difficult to follow or that do not conform to the RFP format or binding specifications may be rejected. Responding vendors must include the required information called for in this RFP. Minnesota State Colleges and Universities reserves the right to reject a proposal if required information is not provided or is not organized as directed. Minnesota State Colleges and Universities also reserves the right to change the evaluation criteria or any other provision in this RFP by posting notice of the change(s) on the Office of Internal Auditing website, www.internalauditing.mnscu.edu/. For this RFP, posting on the captioned website above constitutes written notification to each vendor. Vendors should check the site daily and are expected to review information on the site carefully before submitting a final proposal.
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Section I. General Information

Minnesota State Colleges and Universities is the fifth-largest system of two- and four-year colleges and universities in the United States. The system comprises 31 state universities and community and technical colleges with 54 campuses located in 47 Minnesota communities. The system serves about 420,000 each year and produces 34,700 graduates each year. For more information about Minnesota State Colleges and Universities, please view its website at www.mnscu.edu.

Project Overview.

This request for proposals seeks to acquire external auditing services from an independent accounting firm duly licensed to practice in the State of Minnesota, pursuant to Minn. Stat. Section 326.192, or a similarly qualified government agency.

Proposals are being sought from parties interested in providing external auditing services on an annual basis for the two-year period from July 1, 2011 to June 30, 2013. The services needed are for an annual audit in compliance with generally accepted auditing standards to render an independent audit opinion on the general purpose financial statements for each of the colleges and universities listed below.

- Century College
- Hennepin Technical College
- Metropolitan State University
- Minneapolis Community & Technical College
- Normandale Community College
- Rochester Community & Technical College
- Southwest Minnesota State University

Each of these colleges or universities is part of the Minnesota State Colleges and Universities. Audited financial statements from prior years for the seven colleges and universities listed above are available online at http://www.finance.mnscu.edu/accounting/financialstatements/.

Bids may be submitted for each of the colleges or universities individually or as a package of two or more colleges and universities. Completion date of the audits is no later than November 1 following the end of each fiscal year or as agreed to with the principal auditor, Minnesota State Colleges and Universities, and Minnesota Management and Budget.

Minnesota State Colleges and Universities also contracts with a principal auditor for the system-wide financial auditing requirements. The current principal auditor is CliftonLarsonAllen LLP (CLA). The principal auditor is responsible for auditing system-wide Minnesota State Colleges and Universities financial statements, satisfying the audit requirements established by the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement for major federal financial assistance programs administered by the Minnesota State Colleges and Universities, and satisfying the audit requirements of the Minnesota State Colleges and Universities Revenue Fund. The state universities and selected colleges participate in the Revenue fund. The Revenue Fund issues revenue bonds to finance construction and renewal of revenue-generating facilities, primarily student residence halls and student unions. CliftonLarsonAllen will prepare the independent audit report required by the bond covenants.
Auditors of the seven individual colleges and universities shall use their own professional judgment in designing and applying audit procedures in order to support their independent audit opinions on the individual college and university financial statements. Individual auditors must agree to provide the principal auditor with access to their supporting working papers and underlying conclusions to assist with rendering an opinion on the Minnesota State Colleges and Universities system-wide financial statements.

Individual college and university auditors may access the principal auditor’s supporting working papers for system-level audit work that impacts individual colleges and universities. Individual college and university audits also may access the Legislative Auditor’s supporting working papers for assurances and certifications intended to support individual college and university audits.

For fiscal years 2009 to 2011, six of the colleges and universities listed herein were audited by public accounting firms. Normandale Community College has been audited by a public accounting firm for fiscal years 2010 and 2011. The original contracts with those firms have expired.

This request for proposal does not obligate the Minnesota State Colleges and Universities to complete the proposed project and the Minnesota State Colleges and Universities reserves the right to cancel the solicitation if it is considered to be in its best interest.

Responders may propose additional tasks or activities if they will substantially improve the results of the project. These items shall be separated from the required items on the cost proposal.

**Nature of RFP**

The SYSTEM OFFICE is requesting proposals to provide independent auditing services. This RFP is undertaken by the SYSTEM OFFICE pursuant to the authority contained in provisions of Minnesota Statutes §136F.581 and other applicable laws.

Accordingly, the SYSTEM OFFICE shall select the vendor whose proposal, and oral presentation if requested, demonstrate in the SYSTEM OFFICE’s sole opinion, the clear capability to best fulfill the purposes of this RFP in a cost effective manner. The SYSTEM OFFICE reserves the right to accept or reject proposals, in whole or in part, and to negotiate separately as necessary in order to serve the best interests of the SYSTEM OFFICE. This RFP shall not obligate the SYSTEM OFFICE to award a contract or complete the proposed project and it reserves the right to cancel this RFP if it is considered to be in its best interest.

**Background Information**

The Minnesota Legislature created the Minnesota State Colleges and Universities effective July 1, 1995. The Minnesota State Colleges and Universities system combines all Minnesota public higher education institutions, other than the University of Minnesota campuses. The Minnesota State Colleges and Universities currently comprised of 31 state universities and community and technical colleges with 54 campuses located in 47 Minnesota communities. The Minnesota State Colleges and Universities is an independent state agency that is governed by a 15-member Board of Trustees. Refer to the Minnesota State Colleges and Universities website, www.mnscu.edu, for further information.

On January 17, 2012, the Minnesota State Colleges and Universities Audit Committee authorized the Executive Director of Internal Auditing and the Vice Chancellor – Chief Financial Officer to initiate a competitive bidding process to acquire external auditing services for these seven colleges and universities.
The Board of Trustees retains ultimate authority for selecting the independent auditors. The financial statements will be prepared in accordance with GASB Statement No. 35, utilizing the “business type activity” reporting model permitted by the statement.

**Office of the Legislative Auditor**

The Office of the Legislative Auditor serves as the external auditor for the annual audit of the State of Minnesota financial statements. In that role, the Legislative Auditor examines the statewide accounting system (SWIFT)\(^1\), other major statewide accounting applications, such as the state payroll system and cash and investments maintained in the state treasury. The Legislative Auditor certifies the Minnesota State Colleges and Universities account balances for state treasury cash, investments and compensated absences for classified employees and general obligation debt.

The results of the Minnesota State Colleges and Universities audits will be reported to the Legislative Auditor, through the principal auditor. Individual college and university auditors, however, must grant the Legislative Auditor access to their working papers, if requested.

**Audits of Affiliated Foundations**

Minnesota State Colleges and Universities are affiliated with non-profit foundations that are separate legal entities registered under Section 501(C)(3) of the Internal Revenue code. Board policy requires that foundations that collect annual revenues over $750 thousand obtain annual financial statement audits. Those audits are acquired directly by the foundations’ board of directors and are not part of this request for proposals. Pursuant to Governmental Accounting Standards Board Statement 39, foundations affiliated with Century College, Metropolitan State University and Southwest Minnesota State University are considered significant and, thus, are included in the annual financial reports for the respective college or university. Affiliated foundations contract for external auditing services separately from the Minnesota State Colleges and Universities. The significance of the affiliated foundations to the other colleges will be reassessed annually to determine whether they shall be included in the annual financial reports of the respective colleges.

**Coordination of Efforts**

To coordinate the efforts of external auditors, the Office of the Legislative Auditor, internal auditors, and Minnesota State Colleges and Universities financial reporting, the Office of Internal Auditing facilitates a conference call, lasting no more than one hour, each Monday from mid-August to mid-November. A representative of each audit firm is expected to participate in the weekly conference calls.

**Board of Trustees Audit Committee**

The Minnesota State Colleges and Universities Board of Trustees will have final authority for appointing external auditors for the system and each of its colleges and universities. The board is expected to appoint external auditors for the services described herein at its meeting on April 18, 2012. The board’s Audit Committee will meet prior to the full board meeting, to complete the selection process and develop a recommendation for the full board. External auditors may be expected to meet with the committee or the

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\(^{1}\) Beginning July 1, 2011, MAPS was replaced with a new system called Statewide Integrated Financial Tools (SWIFT).
committee chair at the start of each audit, during the course of the audit (as deemed necessary by the auditor or requested by the committee chair), and present audit results to the Audit Committee annually. Based on recommendations from the Audit Committee, the Board of Trustees is responsible for authorizing the release of the audit. Also, pursuant to Board Policy 1A.2, Part 5, Subpart E2, the Board of Trustees “must approve in advance any non-audit services to be provided by independent auditors under contract for audit services unless the scope of non-audit services is completely distinct from the scope of the audit engagement.”

Internal Auditing Services

The Minnesota State Colleges and Universities has an Office of Internal Auditing whose Executive Director reports directly to the Board of Trustees. The office has experienced staff, including regional audit coordinators that are responsible for 6-9 colleges or universities. Most audit coordinators hold active licenses as Certified Public Accountants.

The office is available to provide limited assistance to the external auditor, upon request. The Fiscal Year 2012 Audit Plan prepared by the Office of Internal Auditing explains the role of Internal Auditing. A copy of the Audit Plan is available at www.internalauditing.mnscu.edu/Reports.html

Minnesota State Colleges and Universities Accounting, State Treasury & Financial Reporting Systems

All financial transactions are recorded in the Minnesota State Colleges and Universities accounting system. This system records all transactions on a budgetary basis by fund. The Minnesota State Colleges and Universities accounting system interfaces with the Statewide Integrated Financial Tools (SWIFT). The Minnesota State Colleges and Universities accounting system has an extensive chart of accounts that allows activity to be tracked by Minnesota State Colleges and Universities fund and SWIFT appropriations and funds.

The General Fund and other special appropriated funds, as well as federal, state and private grant funds are interfaced with SWIFT. This interface provides the state the needed information to sweep the related cash receipts from the local bank accounts maintained by each college and university. State warrants are issued for vendor payments. Payroll and employee business expenses are entered directly in the State’s payroll system (SEMA4) and interfaced back to Minnesota State Colleges and Universities accounting system. In fiscal year 2011, salaries and fringe benefits accounted for about 70% of the operating expenses.

Each Minnesota State Colleges and Universities institution also has at least one local bank account. These local accounts serve as the primary depository for revenues collected by colleges and universities, other than state appropriations. Most of these revenues are swept into the state treasury within a few days of being deposited and spent from the state treasury rather than the local accounts. Spending from the local accounts is limited to auxiliary activities such as the food service and bookstore, student activities, and financial aid payments to students. Local bank account activity is not included in SWIFT. Each institution is responsible for reconciling its bank accounts and reconciling Minnesota State Colleges and Universities records to SWIFT.

Minnesota State Colleges and Universities Finance Division – Financial Reporting Unit

The Minnesota State Colleges and Universities Finance Division reports to the Vice Chancellor – Chief Finance Officer and is part of the System office, located in St. Paul. The division’s financial reporting unit
assists colleges and universities with preparing their financial statements. It also works with the colleges and universities to resolve financial reporting issues and improve the reliability and integrity of the financial information. The financial reporting unit accumulates data and prepares several schedules centrally for all colleges and universities.

The financial reporting unit will provide training to representatives of the successful bidder(s) on use of the Minnesota State Colleges and Universities accounting system and the financial reporting system if needed.

**College and University Business Offices**

Each college and university cited in this Request for Proposal has primary responsibilities for preparing its annual financial report. The business offices at individual colleges and universities record accounting transactions on the Minnesota State Colleges and Universities accounting system and maintain supporting documentation for detailed transactions.

Each college and university has documented internal controls for major transaction cycles. Documentation includes control procedures and risk assessments for transactions and activities material to the financial statements.

**Section II. Proposal Content**

The following is considered minimum contents of the proposal:

A. A restatement of the objectives, goals, and tasks to show or demonstrate the responder’s view of the nature of the project.

B. Identification and description of the deliverables to be provided by the responder. Deliverables must include a management letter.

C. An outline of the responder’s background and experience with particular emphasis on higher education or governmental work. Identification of personnel to conduct the project, with details on training and work experience. No change in key managerial or supervisory personnel assigned to the project will be permitted without the approval of the Minnesota State Colleges and Universities Executive Director of Internal Auditing or Vice Chancellor – Chief Financial Officer.

D. A detailed cost and work plan that will identify the major tasks to be accomplished and be used as a scheduling and managing tool, as well as the basis for invoicing. Contract pricing should segregate cost information by year and by college or university. Responders may submit separate price quotations for completion of each of the seven colleges or universities with the understanding that the Minnesota State Colleges and Universities may accept any of the quotations individually. In addition, responders may submit package prices for two or more of the colleges or universities with the understanding that the Minnesota State Colleges and Universities must accept the entire package of proposed services intact. For package price quotations, separate prices for each of the colleges and universities must be displayed for information purposes. Price quotations should be clearly marked as either package pricing or distinct pricing for each college or university. Price quotations also should clearly indicate whether it includes travel and subsistence expenses or those expenses will be billed separately.
E. Evidence of successful completion of an external quality assurance review as required by the Minnesota State Board of Accountancy.

F. Identification of the level of intended reliance on the work of the principal auditor and the Office of the Legislative Auditor.

G. All responding vendors are required to complete Exhibit A, the Affidavit of Non-Collusion, and submit it with the response.

H. Responder must provide a list of all services performed for the Minnesota State Colleges and Universities entities or affiliated organizations in the past year. The list should indicate the name of the entity, the relationship, and dates of service.

I. For all contracts estimated to be in excess of $100,000, all responding vendors are required to complete Exhibit B, the Human Rights Certification Information and Affirmative Action Data Page, and submit it with the response. As required by Minnesota Rule 5000.3600, "It is hereby agreed between the parties that Minnesota Statutes §363A.36 and Minnesota Rule 5000.3600 are incorporated into any contract between these parties based upon this specification or any modification of it. Copies of Minnesota Statutes §363A.36 and Minnesota Rules 5000.3400 - 5000.3600 are available at the Minnesota Office of the Revisor of Statutes website. Failure to comply shall be grounds for rejection.

J. All materials submitted in response to this RFP will become property of the Minnesota State Colleges and Universities and will become public record after the evaluation process is completed and an award decision made. See the section of this RFP related to Minnesota Government Data Practices Act for information about information the Responder believes to be trade secret materials.

Minnesota State Colleges and Universities will not consider the prices submitted to Responder to be proprietary or trade secret materials.

Responses to this RFP will not be open for public review until the Minnesota State Colleges and Universities decides to pursue a contract and that contract is awarded.

Section III. Sample Contract

You should be aware of the Minnesota State Colleges and Universities’ standard contract terms and conditions in preparing your response. Exhibit C is a sample of the Minnesota State Colleges and Universities Professional/Technical Services Contract for your reference. Much of the language reflected in the contract is required by statute. If you take exception to any of the terms, conditions, or language in the contract, you must indicate those exceptions in your response to the RFP; certain exceptions may result in your proposal being disqualified from further review and evaluation. Only those exceptions indicated in your response to the RFP will be available for discussion or negotiation.
Section IV. Additional RFP Response and General Contract Requirements

Preference to Targeted Group and Economically Disadvantaged Business and Individuals.

In accordance with Minnesota Rules, part 1230.1810, subpart B and Minnesota Rules, part 1230.1830, certified Targeted Group Businesses and individuals submitting proposals as prime contractors shall receive the equivalent of a six percent preference in the evaluation of their proposal, and certified Economically Disadvantaged Businesses and individuals submitting proposals as prime contractors shall receive the equivalent of a six percent preference in the evaluation of their proposal. For information regarding certification, contact the Materials Management Helpline at 651.296.2600, or you may reach the Helpline by e-mail at mmd.help.line@state.mn.us. For TTY/TDD communications, contact the Helpline through the Minnesota Relay Services at 1.800.627.3529.

State Audit

The books, records, documents and accounting practices and procedures of the vendor relevant to the contract(s) must be available for audit purposes to the Minnesota State Colleges and Universities and the Office of the Legislative Auditor for six (6) years after the termination/expiration of the contract.

Minnesota Government Data Practices Act

The vendor must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by the Minnesota State Colleges and Universities, its schools and the System office in accordance with the contract and as it applies to all data created, gathered, generated or acquired in accordance with the contract. All materials submitted in response to this RFP will become property of the State of Minnesota and will become public record after the evaluation process is completed and an award decision made. If the vendor submits information in response to this RFP that it believes to be trade secret materials as defined by the Minnesota Government Data Practices Act, the vendor must:

- mark clearly all trade secret materials in its response at the time the response is submitted;
- include a statement with its response justifying the trade secret designation for each item;
- defend any action seeking release of the materials it believes to be trade secret, and indemnify and hold harmless the State of Minnesota, the Minnesota State Colleges and Universities, its agents and employees, from any judgments or damages awarded against the State or the Minnesota State Colleges and Universities in favor of the party requesting the materials, and any and all costs connected with that defense. This indemnification survives the Minnesota State Colleges and Universities’ award of a contract. In submitting a response to this RFP, the responder agrees this indemnification survives as long as the trade secret materials are in possession of Minnesota State Colleges and Universities.

Conflict of Interest

The vendor must provide a list of all entities with which it has relationships that create, or appear to create, a conflict of interest with the work that it is contemplated in this Request for Proposal. The list should indicate the names of the entity, the relationship, and a discussion of the conflict. Minnesota State Colleges and Universities Board Policy 1A.2, Part 5, Subpart E2, stipulates that the Board of Trustees “must approve in advance any non-audit services to be provided by independent auditors under contract for audit services unless the scope of non-audit services is completely distinct from the scope of the audit engagement.”
Physical and Data Security

The vendor is required to recognize that on the performance of the contract the vendor will become a holder of and have access to private data on individuals and nonpublic data as defined in the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, §270B.02, subdivision 1, and other applicable laws.

In performance of the contract, the vendor agrees it will comply with all applicable state, federal and local laws and regulations, including but not limited to the laws under Minnesota Statutes Chapters 270B and 13 relating to confidentiality of information received as a result of the contract. The vendor agrees that it, its officers, employees and agents will be bound by the above confidentiality laws and that it will establish procedures for safeguarding the information.

The vendor agrees to notify its officers, employees and agents of the requirements of confidentiality and of the possible penalties imposed by violation of these laws. The vendor agrees that neither it, nor its officers, employees or agents will disclose or make public any information received by the vendor on behalf of the Minnesota State Colleges and Universities and the SYSTEM OFFICE.

The vendor shall recognize the Minnesota State Colleges and Universities’ sole and exclusive right to control the use of this information. The vendor further agrees it shall make no use of any of the described information, for either internal or external purposes, other than that which is directly related to the performance of the contract.

The vendor agrees to indemnify and hold harmless the State of Minnesota, the Minnesota State Colleges and Universities and the SYSTEM OFFICE from any and all liabilities and claims resulting from the unauthorized disclosure by the vendor, its officers, employees or agents of any information required to be held confidential under the provisions of the contract. The vendor must return all source data to the “Authorized Representative” to be identified in the contract.

Section V. Proposal Evaluation

All proposals received by the deadline will be evaluated by representatives of the Minnesota State Colleges and Universities. In some instances, an interview may be part of the evaluation process. Factors on which proposals will be judged include, but are not limited to, the following:

A. Qualifications of both firm and its personnel. Experience of personnel who are committed to work on the contract will be given greater weight than that of the firm.
B. Expressed understanding of proposal objectives.
C. Work plan. Particular emphasis will be given to the ability and willingness to use the work of internal auditors, external auditors of individual institutions, and the Legislative Auditor to achieve efficiencies.
D. Cost detail.

In accordance with Minnesota Rules 1230.1810, subpart B and Minnesota Rules 1230.1830, certified Targeted Group Businesses or individuals submitting proposals as prime contractors will receive up to six percent preference in the evaluation of their proposals. For information regarding certification, contact the
It is expected that the Minnesota State Colleges and Universities Audit Committee will complete the final evaluation of proposals on April 17, 2012. The committee is expected to present its recommendations on April 18, 2012 to the Minnesota State Colleges and Universities Board of Trustees for appointment of external auditors.

Section VI. Procedures for Responding

A. This document, including attachments, constitutes a formal Request for Proposal (RFP) and is a competitive procurement. Therefore the vendor shall carefully follow the instructions herein in order to be considered fully responsive to the RFP. The Minnesota State Colleges and Universities reserves the right to reject a proposal that is determined to be incomplete or which does not follow the required structure and format. However, when such statements are innocent or inadvertent in the opinion of the Minnesota State Colleges and Universities, the Minnesota State Colleges and Universities further reserves the right to waive them as informalities.

B. Vendor’s response to this Request for Proposal (RFP) must be received at the following address no later than 4 PM on Monday, March 5, 2012, as indicated by the date and time stamp on each response package by the Minnesota State Colleges and Universities mail room, if packages are delivered by U.S. Mail, or by the Minnesota State Colleges and Universities 3rd floor receptionist if packages are hand-delivered or delivered by courier.

All proposals must be sent to and received by:
Beth Buse, Executive Director
Office of Internal Auditing
Minnesota State Colleges and Universities
30 East 7th Street, Suite 350
St. Paul, Minnesota 55101-4946

Late proposals will not be considered. Responses received after the time set for opening will be returned to the vendor unopened. Fax and e-mail responses will not be considered.

Submit 6 copies of the proposal. Proposals are to be sealed in mailing envelopes or packages with the responder's name and address clearly written on the outside. Each copy of the proposal must be signed in ink by an authorized member of the company/firm. Proof of authority of the person signing shall be furnished upon request. Prices and terms of the proposal as stated must be valid for the length of any resulting contract.

C. All cost incurred in responding to this RFP will be borne by the responder. Proposals submitted in response to this solicitation are irrevocable for 180 days following the closing date. This period may be extended by written mutual agreement between the responder and the Minnesota State Colleges and Universities.

D. Proposals made in pencil shall be rejected. Alterations in cost figures used to determine the lowest priced proposal shall be rejected unless initialed in ink by the person responsible for or authorized to
make decisions as to the price quoted. Proof of authorization shall be provided upon request. The use of “white out” is considered an alteration.

E. Notwithstanding anything to the contrary the Minnesota State Colleges and Universities reserves it's right to:

1) Reject any and all proposals received in response to this RFP,
2) Select, for contract negotiation, a proposal other than the one with the lowest cost,
3) Waive or modify any informalities, irregularities, or inconsistencies in proposals received and/or accept a late written modification requested by the Minnesota State Colleges and Universities if the proposal itself was submitted on time and if the modified proposal is more favorable to the Minnesota State Colleges and Universities.
4) Negotiate any aspect of the proposal with any vendor,
5) Terminate negotiations and select the next most responsive vendor, prepare and release a new RFP, or take such action as deemed appropriate if negotiations fail to result in an agreement.

F. Selection Timeline:

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<tr>
<td>Publish RFP notice in State Register</td>
<td>Monday, February 6, 2012</td>
<td></td>
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<tr>
<td>Deadline for RFP proposal submissions</td>
<td>Monday, March 5, 2012</td>
<td>Deadline for RFP proposal submissions</td>
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<tr>
<td>Audit Committee completes final evaluation</td>
<td>Tuesday-Wednesday, April 17-18, 2012</td>
<td>Audit Committee completes final evaluation &amp; Board of Trustees makes selection</td>
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Section VII. Contacts

Questions should be directed to the following person:

Beth Buse, Executive Director of Internal Auditing
Telephone: 651-201-1799
Fax: 651-296-8488
e-mail: beth.buse@so.mnscu.edu

Other personnel are NOT allowed to discuss the request for proposal with anyone, including responders, before the proposal submission deadline.

All substantive responses to vendor queries will be made available to all vendors and prospective vendors by posting on the RFP website with the name of the party submitting the question. Note that both questions and answers will be posted on the RFP website and anonymous questions will not be answered. Questions must include the name of the questioner, as well as a phone number and e-mail address for confirmation.

For purposes of this RFP, posting on this website constitutes written notification to all vendors and prospective vendors. Vendors are expected to check the website at www.internalauditing.mnscu.edu/RFP/.
Exhibit A. Affidavit of Non-Collusion

STATE OF MINNESOTA
AFFIDAVIT OF NON-COLLUSION

I swear (or affirm) under the penalty of perjury:

1. That I am the Responder (if the Responder is an individual), a partner in the company (if the Responder is a partnership), or an officer or employee of the responding corporation having authority to sign on its behalf (if the Responder is a corporation);

2. That the attached proposal submitted in response to the ________________________ Request for Proposal has been arrived at by the Responder independently and has been submitted without collusion with and without any agreement, understanding or planned common course of action with, any other Responder of materials, supplies, equipment or services described in the Request for Proposal, designed to limit fair and open competition;

3. That the contents of the proposal have not been communicated by the Responder or its employees or agents to any person not an employee or agent of the Responder and will not be communicated to any such persons prior to the official opening of the proposals; and

4. That I am fully informed regarding the accuracy of the statements made in this affidavit.

Responder’s Firm Name: _____________________________________________

Authorized Signature: _____________________________________________

Date: __________________

Subscribed and sworn to me this _______ day of ____________

Notary Public: ________________________________________________

My commission expires: ______ ______
NOTICE TO CONTRACTORS
AFFIRMATIVE ACTION CERTIFICATION OF COMPLIANCE

It is hereby agreed between the parties that MnSCU will require that affirmative action requirements be met by contractors in relation to Minnesota Statutes §363A.36 and Minnesota Rules, 5000.3400 to 5000.3600. Failure by a contractor to implement an affirmative action plan or make a good faith effort shall result in revocation of its certificate or revocation of the contract (Minnesota Statutes §363A.36, subdivisions 3 and 4).

Under the Minnesota Human Rights Act, §363A.36, businesses or firms entering into a contract over $100,000 which have more than forty (40) full-time employees within the state of Minnesota on a single working day during the previous twelve (12) months, or businesses or firms employing more than forty (40) full-time employees on a single working day during the previous twelve (12) months in a state in which its primary place of business is domiciled and that primary place of business is outside of the State of Minnesota but within the United States, must have submitted an affirmative action plan that was received by the Commissioner of Human Rights for approval prior to the date and time the responses are due. A contract over $100,000 will not be executed unless the firm or business having more than forty (40) full-time employees, either within or outside the State of Minnesota, has received a certificate of compliance signifying it has an affirmative action plan approved by the Commissioner of Human Rights. The Certificate is valid for two (2) years. For additional information, contact the Department of Human Rights, Compliance Services Unit, 190 East 5th Street, Suite 700, St. Paul, Minnesota 55101.

AFFIRMATIVE ACTION DATA PAGE – FOR RESPONSES IN EXCESS OF $100,000 ONLY

If a response to this solicitation is in excess of $100,000, complete the information below to determine whether the business or firm is subject to the Minnesota Human Rights Act (Minnesota Statutes §363A.36) certification requirement and to provide documentation of compliance if necessary. It is the sole responsibility of the business or firm to provide this information and, if required, to apply for Human Rights certification prior to the due date and time of the response and to obtain Human Rights certification prior to the execution of the contract.

Effective July 1, 2003. The Minnesota Department of Human Rights is authorized to charge a $75.00 fee for each Certificate of Compliance issued. A business or firm must submit its affirmative action plan along with a cashier's check or money order in the amount of $75.00 to the Minnesota Department of Human Rights or you may contact the Department for additional information at the Compliance Services Unit, 190 East 5th Street, Suite 700, St. Paul, MN 55101.

How to determine which boxes to complete on this form:

<table>
<thead>
<tr>
<th>On any single working day within the previous 12 months, the company…</th>
<th>Box A</th>
<th>Box B</th>
<th>Box C</th>
<th>Box D</th>
</tr>
</thead>
<tbody>
<tr>
<td>employed more than 40 full-time employees in Minnesota.</td>
<td>●</td>
<td></td>
<td></td>
<td>●</td>
</tr>
<tr>
<td>did not employ more than 40 full-time employees in Minnesota but did employ more than 40 full-time employees in the state where the company is domiciled.</td>
<td></td>
<td>●</td>
<td></td>
<td>●</td>
</tr>
<tr>
<td>did not employ more than 40 full-time employees in Minnesota or the state where the company is domiciled.</td>
<td></td>
<td>●</td>
<td></td>
<td>●</td>
</tr>
</tbody>
</table>
BOX A – For a company which has employed more than 40 full-time employees within Minnesota on any single working day during the previous 12 months,

Its response will be rejected unless the company:

- has a current Certificate of Compliance issued by the Minnesota Department of Human Rights (MDHR)
- or-
  - has submitted an affirmative action plan to the MDHR, which the Department received prior to the date and time the responses are due.

Check one of the following statements if the company has employed more than 40 full-time employees in Minnesota on any single working day during the previous 12 months:

☐ We have a current Certificate of Compliance issued by the MDHR. Include a copy of your certificate with your response. **Proceed to BOX D.**

☐ We do not have a current Certificate of Compliance but we have submitted an affirmative action plan to the MDHR, which the Department received prior to the date and time the responses are due. We acknowledge that the plan must be approved by the MDHR before any contract can be executed. **Proceed to BOX D.**

☐ We do not have a Certificate of Compliance and have not submitted an affirmative action plan to the MDHR. We acknowledge our response will be rejected. **Proceed to BOX D.**

**Note:** A Certificate of Compliance must be issued by the Minnesota Department of Human Rights. Affirmative action plans approved by the federal government, a county or a municipality must still be reviewed and approved by the Minnesota Department of Human Rights before a certificate can be issued.

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BOX B - For a company which has not had more than 40 full-time employees in Minnesota but has employed more than 40 full-time employees on any single working day during the previous 12 months in the state where its primary place of business is domiciled,

the company may achieve compliance with the Minnesota Human Rights Act by certifying it is in compliance with applicable federal affirmative action requirements.

Check one of the following statements if the company has not employed more than 40 full-time employees in Minnesota but has employed more than 40 full-time employees on any single working day during the previous 12 months in the state where its primary place of business is located:

☐ We are not subject to federal affirmative action requirements. **Proceed to BOX D.**

☐ We are subject to federal affirmative action requirements and are in compliance with those requirements. **Proceed to BOX D.**
BOX C – For a company not described in BOX A or BOX B,

The company is not subject to the Minnesota Human Rights Act certification requirement.

☐ We have not employed more than 40 full-time employees on a single working day in Minnesota or in the state of our primary place of business within the previous 12 months. Proceed to BOX D.

BOX D – For all companies

By signing this statement, you certify the information provided is accurate and that you are authorized to sign on behalf of the responder.

Name of Company:__________________________________________________________

Authorized Signature:________________________________________________________

Printed Name:________________________________________________________________

Title:_______________________________________________________________________

Date: _______________ Telephone number:_______________________________________

For further information regarding Minnesota Human Rights Act requirements, contact:
Minnesota Department of Human Rights, Compliance Services Unit
Mail: 190 East 5th Street, Suite 700 Metro: 651.296.5663
     St. Paul, MN  55101 Toll Free: 800.657.3704
Website: www.humanrights.state.mn.us Fax: 651.296.9042
Email: employerinfo@therightsplace.net TTY: 651.296.1283
MINNESOTA STATE COLLEGES AND UNIVERSITIES
NOTICE TO VENDORS

AFFIRMATIVE ACTION CERTIFICATION OF COMPLIANCE

The amended Minnesota Human Rights Act (Minnesota Statutes §363A.36) divides the contract compliance program into two categories. Both categories apply to any contracts for goods or services in excess of $100,000.

The first category applies to businesses that have had more than 40 full-time employees within Minnesota on a single working day during the previous 12 months. The businesses in this category must have submitted an affirmative action plan to the Commissioner of the Department of Human Rights prior to the due date and time of the response and must have received a Certificate of Compliance prior to execution of the contract or agreement.

The secondary category applies to businesses that have had more than 40 full-time employees on a single working day in the previous 12 months in the state in which its primary place of business is domiciled. The businesses in this category must certify to MnSCU that it is in compliance with federal affirmative action requirements before execution of the contract. For further information, contact the Department of Human Rights, Compliance Services Unit, 190 East 5th Street, Suite 700, St. Paul, MN 55101; Voice: 651.296.5663; Toll Free: 800.657.3704; TTY: 651.296.1283.

MnSCU is under no obligation to delay the award or the execution of a contract until a vendor has completed the Human Rights certification process. It is the sole responsibility of the vendor to apply for and obtain a Human Rights certificate prior to contract execution.

It is hereby agreed between the parties that MnSCU will require affirmative action requirements be met by vendors in relation to Minnesota Statutes §363A.36 and Minnesota Rules, 5000.3400 to 5000.3600.

Under the Minnesota Human Rights Act, §363A.36, subdivision 1, no department or agency of the state shall execute an order in excess of $100,000 with any business within the State of Minnesota having more than 40 full-time employees in a single working day during the previous 12 months unless the firm or business has an affirmative action plan for the employment of minority persons, women, and the disabled that has been approved the Commissioner of Human Rights. Receipt of a Certificate of Compliance issued by the Commissioner shall signify that a firm or business has an affirmative action plan approved by the Commissioner.

Failure by the vendor to implement an affirmative action plan or make a good faith effort shall result in revocation of its certificate or revocation of the order (Minnesota Statutes §363A.36, subdivisions 3 and 4). A certificate is valid for a period of two (2) years.
DISABLED INDIVIDUAL CLAUSE

A. A vendor shall not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The vendor agrees to take disabled individuals without discrimination based on their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection of training, including apprenticeship.

B. The vendor agrees to comply with the rules and relevant order of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.

C. In the event of a vendor’s noncompliance with the requirements of this clause, actions for noncompliance may be taken by the Minnesota Department of Human Rights pursuant to the Minnesota Human Rights Act.

D. The vendor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Commissioner of the Minnesota Department of Human Rights. Such notices shall state the vendor obligation under the law to take affirmative action to employ and advance in employment qualified disabled employees and applicants for employment and the rights of applicants and employees.

E. The vendor shall notify each labor union or representative of workers with which it has a collective bargaining agreement or other order understanding, that the vendor is bound by the terms of Minnesota Statutes §363A.36 of the Minnesota Human Rights Act and is committed to take affirmative action to employ and advance in employment physically and mentally disabled individuals.

It is hereby agreed between the parties that Minnesota Statutes §363A.36 and Minnesota Rules 5000.3400 to 5000.3600 are incorporated into any order of Minnesota Statutes §363A.36 and Minnesota Rules, 5000.3400 to 5000.3600 are available from Minnesota Bookstore, 660 Olive Street, St. Paul, Minnesota 55155.

By signing this statement the vendor certifies that the information provided is accurate.

NAME OF COMPANY: ____________________________________________________________

AUTHORIZED SIGNATURE: _______________________________________________________

TITLE: _________________________________________________________________________

DATE: _________________________________________________________________________
Exhibit C. Sample Contract

STATE OF MINNESOTA
MINNESOTA STATE COLLEGES AND UNIVERSITIES
SYSTEM OFFICE

PROFESSIONAL/TECHNICAL SERVICES CONTRACT

THIS CONTRACT, and amendments and supplements thereto, is between the State of Minnesota, acting through its Board of Trustees of the Minnesota State Colleges and Universities, on behalf of the System Office (hereinafter MnSCU), and [INSERT CONTRACTOR’S LEGAL NAME AND FULL ADDRESS], an independent contractor, not an employee of the State of Minnesota (hereinafter CONTRACTOR).

WHEREAS, MnSCU, pursuant to Minnesota Statutes Chapter 136F, is empowered to procure from time to time certain professional/technical services, and

WHEREAS, MnSCU is in need of professional/technical services, and

WHEREAS, the CONTRACTOR represents it is duly qualified and willing to perform the services set forth in this contract,

NOW, THEREFORE, it is agreed:

I. TERM OF CONTRACT. This contract shall be effective on XXXX ##, 2012 or upon the date the final required signature is obtained by MnSCU, whichever occurs later, and shall remain in effect until March 31, 2014 or until all obligations set forth in this contract have been satisfactorily fulfilled, whichever occurs first. The CONTRACTOR understands that no work should begin under this contract until all required signatures have been obtained and the CONTRACTOR is notified to begin work by MnSCU’s authorized representative.

II. DUTIES.

A. CONTRACTOR’S DUTIES. The CONTRACTOR, who is not a state employee, will audit the following financial statements and schedules and issue reports as prescribed by generally accepted government auditing standards for the following colleges and universities:

   a. Century College
   b. Hennepin Technical College
   c. Metropolitan State University
   d. Minneapolis Community & Technical College
   e. Normandale Community College
   f. Rochester Community & Technical College
   g. Southwest Minnesota State University

The CONTRACTOR will provide external auditing services on an annual basis for the two-year fiscal reporting period from July 1, 2011 to June 30, 2013 as described in the Request for Proposals for External Audits of Seven Colleges & Universities for the Fiscal Years of 2012 - 2013 (Exhibit A) attached herein and incorporated by reference.
Except in the cases of death, illness, termination, resignation or other severance of association of the key management personnel (in which case the CONTRACTOR shall consult with MnSCU and assign a replacement if necessary), no change shall be made in key management personnel unless approved in advance in writing by MnSCU’s authorized representative (which approval shall not be unreasonably withheld or delayed). The CONTRACTOR’S key management personnel are as follows:

- 
- 
- 
- 

B. **MnSCU’s DUTIES.** MnSCU shall timely provide necessary access to records and support services for each of the two years of this contract as described in Exhibit A.

C. **MUTUAL DUTIES.** The CONTRACTOR and MnSCU agree that prior to commencing the audits for each of the fiscal years 2012 and 2013 the CONTRACTOR and the Vice Chancellor/Chief Financial Officer shall enter into an engagement letter for the audits for each of the fiscal years in substantially the form required by generally accepted auditing standards and that such engagement letter shall supplement the terms and agreements herein. In the event there is a conflict in the terms or provisions contained in the engagement letter and this contract, or additional terms in the engagement letter not found in this contract, the terms and provisions in this contract shall control and govern.

Engagement letters shall be in writing and executed in accordance with Section VII.

**AMENDMENTS.**

**III. CONSIDERATION AND TERMS OF PAYMENT.**

A. **Consideration for all services performed and goods or materials supplied by the CONTRACTOR pursuant to this contract shall be paid by MnSCU as follows:**

1. The professional fees and expenses for all services performed by the CONTRACTOR pursuant to this contract shall be paid by MnSCU and are set forth for the audit of each fiscal year is as follows:

<table>
<thead>
<tr>
<th>College</th>
<th>FY 2012</th>
<th>FY 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Century College</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hennepin Technical College</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Metropolitan State University</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minneapolis Community &amp; Technical College</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Normandale Community College</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rochester Community &amp; Technical College</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Southwest Minnesota State University</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Per Fiscal Year:

The total obligation of MnSCU for all compensation and reimbursement to the CONTRACTOR shall not exceed [INSERT DOLLAR AMOUNT IN WORDS AND NUMBERS, e.g. Four Thousand One Hundred Twenty and 00/100 Dollars ($4,120.00)].

Professional Fees may be changed upon the occurrence of a material change in circumstances affecting the audit, if mutually agreed to by the parties in a written amendment to this contract, pursuant to Section VII. AMENDMENTS.

2. Reimbursement for travel and subsistence expenses actually and necessarily incurred by the CONTRACTOR in performance of this contract in an amount not to exceed [INSERT DOLLAR AMOUNT IN WORDS AND NUMBERS, e.g. Four Thousand One Hundred Twenty and 00/100 Dollars ($4,120.00)] provided that CONTRACTOR shall be reimbursed for travel and subsistence expenses in the same manner and in no greater amount than provided in the current “Commissioner’s Plan” promulgated by the Commissioner of Employee Relations attached hereto. [ATTACH IF APPLICABLE; DO NOT ATTACH IF NOT APPLICABLE]. The CONTRACTOR shall not be reimbursed for travel and subsistence expenses incurred outside the State of Minnesota unless it has received prior written approval for such out-of-state travel from MnSCU’s authorized representative.

3. The total obligation of MnSCU for all professional fees and expenses to the CONTRACTOR shall not exceed [INSERT DOLLAR AMOUNT IN WORDS AND NUMBERS, e.g. Four Thousand One Hundred Twenty and 00/100 Dollars ($4,120.00)], unless this contract is amended in writing. To justify an amendment in professional fees; MNSCU and the CONTRACTOR must agree that a material change in circumstances affecting one audit has occurred, and such an amendment must be in writing and executed in accordance with Section VII. AMENDMENTS.

B. Terms of Payment. Payment shall be made by MNSCU promptly after the CONTRACTOR’S presentation of invoices for services performed and acceptance of such services by MNSCU’s authorized representative. All services provided by the CONTRACTOR pursuant to this contract shall be performed to the satisfaction of MnSCU, as determined at the sole discretion of its authorized representative, and in accordance with the rules and regulations of the American Institute of Certified Public Accountants, due professional care, the terms and conditions hereof, and all applicable federal, state and local laws, ordinances, rules and regulations. The CONTRACTOR shall not receive payment for work found by MnSCU to be unsatisfactory, not performed in all material respects in accordance with the terms and conditions hereunder, or performed in violation of any applicable federal, state or local law, ordinance, rule or regulation. Invoices shall be submitted monthly.

IV. CANCELLATION AND TERMINATION.

A. This contract may be canceled by MnSCU at any time, with or without cause, upon thirty (30) days written notice to the CONTRACTOR. In the event of such a cancellation, the CONTRACTOR shall be entitled to payment, determined on a pro rata basis, for work or services satisfactorily performed, in accordance with the rules and regulations of the American Institute of Certified Public Accountants, due professional care and the terms and
conditions hereof, and expenses incurred up to and including the date of termination, not to exceed the amounts set forth in Section III above.

B. Termination for Insufficient Funding. MnSCU may immediately terminate this contract if it does not obtain funding from the Minnesota Legislature or other funding source, or if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the CONTRACTOR within a reasonable time of MnSCU receiving notice that sufficient funding is not available. MnSCU is not obligated to pay for any services that are provided after notice and effective date of termination. However, the CONTRACTOR will be entitled to payment, determined on a pro rata basis, for work or services satisfactorily performed to the extent that funds are available. MnSCU will not be assessed any penalty if the contract is terminated because of the decision of the Minnesota Legislature or other funding source not to appropriate funds.

V. **AUTHORIZED REPRESENTATIVES**. All official notifications, including but not limited to, cancellation of this contract must be sent to the other party’s authorized representative.

A. MnSCU’s authorized representative for the purpose of administration of this contract is:

   Name: Laura M. King, Vice Chancellor/Chief Financial Officer  
   Address: 30 East Seventh Street, 350 Wells Fargo Place, St. Paul, MN 55101 
   Telephone: 651-201-1732  
   E-Mail: laura.king@so.mnscu.edu

Such representative shall have final authority for acceptance of the CONTRACTOR’S services and, if such services are accepted as satisfactory, shall so certify on each invoice presented pursuant to Clause III, paragraph B.

B. The CONTRACTOR’S authorized representative for the purpose of administration of this contract is:

   Name:  
   Address:  
   Telephone:  
   E-Mail:  
   Fax:

VI. **ASSIGNMENT**. The CONTRACTOR shall neither assign nor transfer any rights or obligations under this contract without the prior written consent of MnSCU.

VII. **AMENDMENTS**. Any amendments to this contract shall be in writing and shall be executed by the same parties who executed the original contract, or their successors in office.

VIII. **LIABILITY**. The CONTRACTOR shall indemnify, save, and hold MnSCU, its representatives and employees harmless from any and all claims or causes of action, including all attorney’s fees incurred by MnSCU, arising from the performance of this contract by the CONTRACTOR or CONTRACTOR’S agents or employees. This clause shall not be construed to bar any legal remedies the CONTRACTOR may have for MnSCU’s failure to fulfill its obligations pursuant to this contract.

The CONTRACTOR may request that MnSCU’s management confirm certain representations made to the CONTRACTOR during the CONTRACTOR’s audit. The responses to those inquiries
and related written representations of the MnSCU’s management required by generally accepted auditing standards are part of the evidential matter that the CONTRACTOR will rely on as auditors in forming its opinion on the MnSCU’s financial statements.

IX. **STATE AUDITS.** The books, records, documents, and accounting procedures and practices of the CONTRACTOR relevant to this contract shall be subject to examination by MnSCU and the Legislative Auditor for a minimum of six (6) years from the end of the contract.

X. **GOVERNMENT DATA PRACTICES ACT.** The CONTRACTOR must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by MnSCU in accordance with this contract, and as it applies to all data, created, collected, received, stored, used, maintained, or disseminated by the CONTRACTOR in accordance with this contract. The civil remedies of Minnesota Statute §13.08 apply to the release of the data referred to in this clause by either the CONTRACTOR or MnSCU. In the event the CONTRACTOR receives a request to release the data referred to in this clause, the CONTRACTOR must immediately notify MnSCU. MnSCU will give the CONTRACTOR instructions concerning the release of the data to the requesting party before the data is released.

XI. **ACCESS TO WORKING PAPERS.** The CONTRACTOR is required to provide access to its working papers and photocopies thereof according to the provisions noted in Exhibit A and herein incorporated by reference. If such a request is made, the CONTRACTOR will inform the Executive Director of Minnesota State Colleges and Universities’ Office of Internal Auditing prior to providing such access. The working papers for this engagement are the property of the CONTRACTOR.

XII. **PUBLICITY.** Any publicity given to the program, publications, or services provided resulting from this contract, including, but not limited to, notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the CONTRACTOR or its employees individually or jointly with others, or any subcontractors shall identify MnSCU as the sponsoring agency and shall not be released prior to receiving the approval of MnSCU’s authorized representative.

XIII. **AFFIRMATIVE ACTION REQUIREMENTS FOR CONTRACTS IN EXCESS OF $100,000.00 AND THE CONTRACTOR HAS MORE THAN 40 FULL-TIME EMPLOYEES IN MINNESOTA OR ITS Principal PLACE OF BUSINESS.**

MnSCU intends to carry out its responsibility for requiring affirmative action by its CONTRACTORS.

A. Covered Contracts and Contractors. If the contract exceeds One Hundred Thousand and 00/100 Dollars ($100,000.00) and the CONTRACTOR employed more than forty (40) full-time employees on a single working day during the previous twelve (12) months in Minnesota or in the state where it has its principle place of business, then the CONTRACTOR must comply with the requirements of Minnesota Statute §363A.36 and Minnesota R. Parts 5000.3400-5000.3600. A CONTRACTOR covered by Minnesota Statute §363A.36 because it employed more than forty (40) full-time employees in another state and the CONTRACTOR does not have a Certificate of Compliance, said CONTRACTOR must certify that it is in compliance with federal affirmative action requirements.

B. Minnesota Statute §363A.36. Minnesota Statute §363A.36 requires CONTRACTOR to have an affirmative action plan for the employment of minority persons, women, and qualified disabled individuals approved by the Minnesota Commissioner of Human Rights
(hereinafter COMMISSIONER) as indicated by a certificate of compliance. The law addresses suspension or revocation of a certificate of compliance and contract consequences in that event. A contract awarded without a certificate of compliance may be voided.

C. Minnesota R. 5000.3400-5000.3600.

1. General. Minnesota R. 5000.3400-5000.3600 implement Minnesota Statute §363A.36. These rules include, but are not limited to: criteria for contents, approval, and implementation of affirmative action plans; procedures for issuing certificates of compliance and criteria for determining a contractor’s compliance status; procedures for addressing deficiencies, sanctions, and notice and hearing; annual compliance reports; procedures for compliance review; and contract consequences for non-compliance. The specific criteria for approval or rejection of an affirmative action plan are contained in various provisions of Minnesota R. 5000.3400-5000.3600, including, but not limited to, parts 5000.3420-5000.3500 and 5000.3552-5000.3559.

2. Disabled Workers. The CONTRACTOR must comply with the following affirmative action requirements for disabled workers.

(a) The CONTRACTOR must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The CONTRACTOR agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

(b) The CONTRACTOR agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.

(c) In the event of the CONTRACTOR’S noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with Minnesota Statute §363A.36, and the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.

(d) The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Commissioner of the Minnesota Department of Human Rights. Such notices must state the CONTRACTOR’S obligation under the law to take affirmative action to employ and advance in employment qualified disabled employees and applicants for employment, and the rights of applicants and employees.

(e) The CONTRACTOR must notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the CONTRACTOR is bound by the terms of Minnesota Statute §363A.36 of the Minnesota Human Rights Act and is committed to take affirmative action to employ and advance in employment physically and mentally disabled persons.
3. Consequences. The consequences for the CONTRACTOR’S failure to implement its affirmative action plan or make a good faith effort to do so include, but are not limited to, suspension or revocation of a certificate of compliance by the COMMISSIONER, refusal by the COMMISSIONER to approve subsequent plans, and termination of all or part of this contract by the COMMISSIONER or MnSCU.

4. Certification. The CONTRACTOR hereby certifies it is in compliance with the requirements of Minnesota Statute §363A.36 and Minnesota R. 5000.3400-5000.3600 and is aware of the consequences for noncompliance.

XIV. WORKERS’ COMPENSATION. The CONTRACTOR certifies it is in compliance with Minnesota Statute §176.181, subd. 2 pertaining to workers’ compensation insurance coverage. The CONTRACTOR’S employees and agents will not be considered MnSCU employees. Any claims that may arise under the Minnesota Workers’ Compensation Act on behalf of these employees or agents and any claims made by any third party as a consequence of any act or omission on the part of these employees or agents are in no way MnSCU’s obligation or responsibility.

XV. DATA DISCLOSURE.

A. The CONTRACTOR is required by Minnesota Statute §270C.65 to provide either a social security number, a federal taxpayer identification number or a Minnesota tax identification number. This information may be used in the enforcement of federal and state tax laws. Supplying these numbers could result in action to require CONTRACTOR to file state tax returns and pay delinquent state tax liabilities. This contract will not be approved unless these numbers are provided. These numbers will be available to federal and state tax authorities and state personnel involved in approving the contract and the payment of state obligations.

B. For any person hired as an independent contractor, except for those persons whose contract is for less than two (2) months with gross earnings of less than Two Hundred Fifty and 00/100 Dollars ($250.00) per month and for corporations, Minnesota Statute §256.998 requires that his or her social security number and date of birth be submitted to the Department of Human Services. This information may be used in the enforcement of state and federal child support laws.

XVI. ANTITRUST. The CONTRACTOR hereby assigns to the State of Minnesota any and all claims for overcharges as to goods or services provided in connection with this contract resulting from antitrust violations which arise under the antitrust laws of the United States or the antitrust laws of the State of Minnesota.

XVII. JURISDICTION AND VENUE. This contract, and amendments and supplements thereto, shall be governed by the laws of the State of Minnesota. Venue for all legal proceedings arising out of this contract, or breach thereof, shall be in the state or federal court with competent jurisdiction in Ramsey County, Minnesota.

XVIII. GRAMM LEACH BLILEY ACT. MnSCU and the CONTRACTOR mutually agree to comply with the requirements of the Gramm Leach Bliley Act (“GLB”) dealing with the confidentiality of customer information and the Safeguards Rule.

A. Definitions:
1. **Covered Data and Information** includes Student Financial Information (defined below) required to be protected under the Gramm Leach Bliley Act (GLB), as well as any credit card information received in the course of business by MnSCU, whether or not such credit card information is covered by GLB. Covered data and information includes both paper and electronic records.

2. **Student Financial Information** is that information that MnSCU has obtained from a customer in the process of offering a financial product or service, or such information provided to MnSCU by another financial institution. Offering a financial product or service includes offering student loans to students, receiving income tax information from a student’s parent when offering a financial aid package, and other miscellaneous financial services as defined in 12 C.F.R. § 225.28. Examples of student financial information include addresses, phone numbers, bank and credit card account numbers, income and credit histories and Social Security numbers, in both paper and electronic format.

**B. Acknowledgement of Access to Covered Data and Information:** The CONTRACTOR acknowledges that this contract allows the CONTRACTOR access to Covered Data and information. Specifically, access to student financial information as defined in paragraph Part A, subpart 2 is anticipated under this contract.

**C. Prohibition on Unauthorized Use or Disclosure of Covered Data and Information:** The CONTRACTOR agrees to hold the covered data and information in strict confidence. The CONTRACTOR shall not use or disclose Covered Data and Information received from or on behalf of MnSCU except as permitted or required by this contract, as required by law, or as otherwise authorized in writing by MnSCU.

**D. Safeguard Standard:** The CONTRACTOR agrees that it will protect the Covered Data and Information it receives from or on behalf of MnSCU according to commercially acceptable standards and no less rigorously than it protects its own confidential information.

**E. Destruction of Covered Data and Information:** Upon termination, cancellation, expiration or other conclusion of this contract, the CONTRACTOR shall extend the protections of this section to Covered Data and Information received from or created on behalf of MnSCU, and limit further uses and disclosures of such Covered Data and Information, for so long as CONTRACTOR maintains the Covered Data and Information. When the CONTRACTOR no longer needs to maintain the Covered Data and Information, the CONTRACTOR shall destroy the Covered Data and Information in a secure manner.

**F. Term and Termination:**

1. In addition to the rights of the parties established herein, if MnSCU reasonably determines in good faith that CONTRACTOR has materially breached any of its obligations under this section, MnSCU, in its sole discretion, shall have the right to:
   i. Exercise any of its rights to reports, access and inspection under this section; and/or
   ii. Require CONTRACTOR to submit to a plan of monitoring and reporting, as MnSCU may determine necessary to maintain compliance with this section; and/or
   iii. Provide CONTRACTOR with a fifteen (15) day period to cure the breach; and/or
   iv. Terminate this contract immediately if CONTRACTOR has breached a material term of this section and cure is not possible.

2. Before exercising any of these options, MnSCU shall provide written notice to CONTRACTOR describing the violation and the action it intends to take.
G. Subcontractors and Agents: If CONTRACTOR provides any Covered Data and Information which was received from, or created for, MnSCU to a subcontractor or agent, then CONTRACTOR shall require such subcontractor or agent to agree to the same restrictions and conditions as are imposed on CONTRACTOR by this section.

H. Maintenance of the Security of Electronic Information: CONTRACTOR shall develop, implement, maintain and use appropriate administrative, technical and physical security measures to preserve the confidentiality, integrity and availability of all electronically maintained or transmitted Covered Data and Information received from, or on behalf of, MnSCU.

I. Reporting of Unauthorized Disclosures or Misuse of Covered Data and Information: CONTRACTOR shall report to MnSCU any use or disclosure of Covered Data and Information not authorized by this Section or in writing by MnSCU. CONTRACTOR shall make the report to MnSCU not less than one (1) business day after CONTRACTOR learns of such use or disclosure. CONTRACTOR’s report shall identify: (i) the nature of the unauthorized use or disclosure, (ii) the Covered Data and Information used or disclosed, (iii) who made the unauthorized use or received the unauthorized disclosure, (iv) what CONTRACTOR has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure, and (v) what corrective action CONTRACTOR has taken or shall take to prevent future similar unauthorized use or disclosure. CONTRACTOR shall provide such other information including a written report, as reasonably requested by MnSCU.

XIX. MINNESOTA STATUTE §181.59. The Contractor will comply with the provisions of Minnesota Statute §181.59 which require:

Every contract for or on behalf of the State of Minnesota, or any county, city, town, township, school, school district, or any other district in the state, for materials, supplies, or construction shall contain provisions by which the contractor agrees: (1) that, in the hiring of common or skilled labor for the performance of any work under any contract, or any subcontract, no contractor, material supplier, or vendor, shall, by reason or race, creed, or color, discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates; (2) that no contractor, material supplier, or vendor, shall, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in clause (1) of this section, or on being hired, prevent, or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed, or color; (3) that a violation of this section is a misdemeanor; and (4) that this contract may be canceled or terminated by the state, county, city, town, school board, or any other person authorized to grant the contracts for employment, and all money due, or to become due under the contract, may be forfeited for a second or any subsequent violation of the terms or conditions of this contract.

XX. SURVIVAL OF TERMS. The following clauses survive the expiration, cancellation or termination of this contract: IX. Liability; X. State Audits; XI. Government Data Practices Act; XII. Access to Working Papers; XIII. Publicity; XVI. Data Disclosure; XVIII. Jurisdiction and Venue; and XIX. Gramm Leach Bliley Act.
IN WITNESS WHEREOF, the parties have caused this contract to be duly executed intending to be bound thereby.

APPROVED:

1. **CONTRACTOR:**
   CONTRACTOR certifies that the appropriate person(s) have executed the contract on behalf of CONTRACTOR as required by applicable articles, by-laws, resolutions, or ordinances.

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2. **VERIFIED AS TO ENCUMBRANCE:**
   Employee certifies that funds have been encumbered as required by Minnesota Statute §16A.15.

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3. **MINNESOTA STATE COLLEGES AND UNIVERSITIES SYSTEM OFFICE:**

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4. **AS TO FORM AND EXECUTION:**

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