

E-5. SELECTION OF EXTERNAL AUDITORS POLICY

The Board of Trustees deems it to be essential to that a qualified, independent third-party public accounting firm prepare and deliver annually a comprehensive audit report as to the accuracy and fair presentation of the University's financial statements. In addition to a formal written report, the external auditors shall meet with the Audit Committee of the Board of Trustees on a yearly basis to report its audit findings and present and discuss other relevant matters of concern.

As a public entity, the Board of Trustees should periodically review the pricing and quality of the audit services being received in order to ensure that the best interests of the University continue to be served by its current audit engagement. To ensure effective periodic reviews, the University shall consider the need to request formal proposal for audit services from its current auditors and other potentially interested parties at the end of each five-year audit cycle.

The follow procedures shall be following in connection with any requests for formal proposals for audit services contemplated by this policy:

1. Approval of the Audit Committee of the Board of Trustees (the "Audit Committee") shall be obtained prior to soliciting proposals for audit services.
2. If the Audit Committee approves the solicitation of proposals for audit services, the Audit Committee shall assemble a sub-committee (the "Audit Firm Selection Committee") to request, receive, review, and evaluate any responsive proposals received. The Audit Firm Selection Committee shall be comprised of appropriate parties appointed by the Audit Committee Chair.
3. The Audit Firm Selection Committee shall (a) identify and request a "Statement of Qualifications" (each, a "SOQ") from each potential audit firm from whom the Audit Firm Selection Committee determines proposals should potentially be solicited; (b) evaluate each returned SOQ and select the audit firms to receive a "Request for Proposals" (each, a "RFP"); (c) draft the RFP and evaluation criteria; (d) send the RFP to the relevant audit firms and receive and review formal responses thereto; (e) hold interviews and receive oral proposal presentations from any or all of the audit firms submitting a RFP; and (f) evaluate the written RFPs and any oral proposals, and submit a report to the Audit Committee containing the Audit Firm Selection Committee's final recommendations.
4. Upon receipt of the Audit Firm Selection Committee's report and final recommendations, the Audit Committee shall select and engage the audit firm that it determines should be chosen and shall provide notices to each of the other finalists that are not selected.

ADOPTED: August 20, 1993

REVISED: June 11, 1998

REAFFIRMED: JUNE 19, 2009

REVISED: April 16, 2021