



## FINANCIAL STATEMENT AUDIT POLICY

### PURPOSE

The purpose of this policy is to provide guidance to University personnel whose areas are being audited, to ensure that external audit activities are appropriately coordinated and managed by University personnel, and responses to external audit findings or conclusions are properly implemented in a timely manner.

This policy applies to the independent external audits of the University Financial Statements.

### STATEMENT OF POLICY

It is the University's policy to undergo periodic examinations or audits of fiscal and administrative management to ensure that funds and resources are used and reported in accordance with the appropriate methods prescribed by law, generally accepted accounting principles, and New York State Board of Regents' and University rules and regulations. As such, audits are a means of determining whether the activities of operating units are safeguarding the assets of the University, operating efficiently, and overseeing operations in a manner that is consistent with public policy.

The objectives of audits are beneficial; therefore, the policy of the University will ensure that administration of external audits will be conducted so as to achieve these purposes. The University requires that an annual external audit of the University's financial statements be conducted, with the goal of confirming financial viability with evidence of follow up on any concerns cited. This policy governs the engagement of an external audit firm.

*Appointment of an Auditor:* The Board of Trustees appoints the external auditor of the University annually. The Audit Committee recommends an audit firm to the Board of Trustees for their consideration.

*Rotation of External Audit Partner:* The external audit firm shall be required to rotate the audit partner on the engagement at least once every 10 years.

*Disclosure to the Finance Committee of the Board:* The external audit firm shall report the results of the financial statement audit to the Audit Committee on an annual basis.

The external audit firm partner shall be required to meet privately with the Trustee members of the Audit Committee of the Board of Trustees at least annually to discuss management.

**POLICY TYPE: FINANCE**