Policy 4.120
Employing Members of the Independent External Auditor

Responsible Official: VP for Human Resources
Administering Division/Department: Human Resources
Effective Date: May 24, 2013
Last Revision: May 23, 2013

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Overview

Emory maintains the integrity of its financial statements, financial reporting processes, and internal controls by engaging the services of an independent auditor (“auditor”). To ensure the auditor is truly independent and is capable of exercising objective and impartial judgment on all issues encompassed within the auditor’s engagement, Emory places carefully considered limitations on the hiring of current or former employees of its auditor in any “financial reporting oversight role,” as provided in this Policy.

Policy Details

Emory establishes the following guidelines for hiring employees or former employees of the auditor.

1. Emory will abide by a minimum one year “cooling off” period before hiring any members of the audit engagement team that are employees or former employees of the auditor in a “financial reporting oversight role.”

2. This “cooling off” requirement applies to all members of the audit engagement team, except:
   a) Persons other than the lead partner and concurring partner, who provided ten or fewer hours of audit, review or attest services during the relevant fiscal period.
   b) Individuals employed by Emory as a result of a business combination between Emory, which is an audit client, and the employing entity, provided employment was not in contemplation of the business combination and the Audit Committee is aware of the prior employment relationship.
   c) Individuals employed by Emory due to an emergency or other unusual circumstance, provided that the Audit and Compliance Committee determines that the relationship is in the interest of the University.

3. Any exceptions to this policy must be reviewed and approved by the Audit and Compliance Committee.

Definitions

As used in this policy, the following terms shall have the meanings indicated.

(a) “Emory” means Emory University, Emory Healthcare, and all related entities.
(b) “Financial reporting oversight role” means a role in which an individual is in a position to, or does, exercise influence over the contents of the financial statements or related information, or influence over anyone who prepares financial statements or related information.

(c) “Audit engagement team” means all partners and professional employees who participate in an audit, review or attestation engagement of Emory, including audit partners and all persons who consult with others on the audit engagement team during the audit, review or attestation engagement regarding technical or industry-specific issues, transactions or events.

(d) “Cooling-off period” means the one year period of time that must elapse before any member of the audit engagement team (whether a current or former employee of the auditor) who participated on the audit of the current or (immediately preceding) fiscal year is eligible for hire in a financial reporting oversight role at Emory. The cooling-off period begins one day after Emory’s related annual report is issued.

Related Links

- Current Version of This Policy: http://policies.emory.edu/4.120

Contact Information

<table>
<thead>
<tr>
<th>Subject</th>
<th>Contact</th>
<th>Phone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clarification of Policy</td>
<td>Del King, Associate Vice President, Human Resources</td>
<td>404-727-7567</td>
<td><a href="mailto:del.king@emory.edu">del.king@emory.edu</a></td>
</tr>
</tbody>
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Revision History

No previous versions of this policy were found.

Emory University policies are subject to change at any time. If you are reading this policy in paper or PDF format, you are strongly encouraged to visit policies.emory.edu to ensure that you are relying on the current version.