

BOARD OF REGENTS
EASTERN MICHIGAN UNIVERSITY

SECTION: 30

DATE:

June 10, 2014

RECOMMENDATION
APPOINTMENT OF EXTERNAL AUDIT FIRM AND CONTRACT FOR SERVICES

ACTION REQUESTED

It is recommended the Board of Regents approve a three year contract with Plante Moran, PLLC to provide external audit services to the University consistent with the parameters outlined below.

STAFF SUMMARY

The Board of Regent bylaws (4.06 Auditor) provide that the Board's Audit Committee shall recommend to the Board the selection of an external auditor, who shall be appointed by the Board, and who shall receive supervision from the Chairperson of the Audit Committee.

An RFP was issued March 28, 2014 seeking proposals and qualifications of firms to perform external audit services for the University. Four firms responded. On May 19th, each of the firms were interviewed by a review committee consisting of Regent Jim Webb (Chair of the Board's Audit Committee), Regent Mary Treder Lang (Chair of the Board's Finance and Investment Committee and member of the Board's Audit Committee), CFO and Board Treasurer John Lumm, Foundation CFO Laura Wilbanks, Purchasing Director Dean Backos and Andrea Jaeckel and Tim Griffith of the finance office.

Based on the RFP responses and the on-campus interviews, the selection committee recommends that Eastern Michigan University enter into a contract for external audit services with Plante Moran, PLLC who has served as the University's External Audit firm since 2005. The term of the contract is July 1, 2014 through June 30, 2017, with two, mutually-agreeable one-year extensions. Eastern will pay Plante Moran \$108,000 in year one, \$113,000 in year two, and \$108,000 in year three which represents savings to the University of about \$11,000 a year compared with the current fees.

FISCAL IMPLICATIONS

The cost for these external audit services is included in the recommended Fiscal Year 2014-15 General Fund operating budget.

ADMINISTRATIVE RECOMMENDATION

The proposed Board action has been reviewed and is recommended for Board approval.

University Executive Officer

Date