NEW YORK UNIVERSITY
BOARD OF TRUSTEES
AUDIT COMMITTEE POLICY

AUDIT AND NON-AUDIT SERVICES PRE-APPROVAL POLICY

Purpose of the Policy

The Audit Committee must pre-approve the audit and non-audit services performed by the independent auditor in order to ensure that the provision of such services does not impair the auditor's independence.

Policy Definitions

Audit Services subject to pre-approval

Audit services are professional services rendered for the audit of the financial statements of New York University (“University”), the review of quarterly financial statements, services that are normally provided by an accountant in connection with statutory and regulatory filings or engagements, and services that generally only the independent auditor reasonably can provide. Audit services include the annual financial statement audit (including related interim reviews as appropriate), annual audit on compliance under OMB Circular A-133, annual ERISA audits of the University benefit plans, annual audits of subsidiary activities, attestation services related to NCAA rules, any other audit and attestation engagements required to be completed by the University, and other procedures required to be performed by the independent auditor to be able to form an opinion on the reports previously mentioned. Audit services also include the attestation engagement for the independent auditor's report on management’s assertion on internal controls for financial reporting. The Audit Committee will monitor the audit services engagement throughout the year and related fees and will also approve, if necessary, any changes in terms and conditions resulting from changes in audit scope, University structure or other items.

Audit-Related Services

Audit-related services, including internal control-related services, are assurance and related services that are reasonably related to the performance of the audit or review of the University's financial statements and/or the University's internal control over financial reporting and that are traditionally performed by the independent auditor.

Tax Services

Tax services include tax compliance, tax advice and tax planning services, expatriate tax services and executive tax services.
Other Services

Other services include permitted products and services other than those in the above three categories, including permitted corporate finance services, and certain advisory services such as real estate, treasury, employee benefit plans and risk management. The Audit Committee shall periodically seek relevant guidance to determine the precise definitions of permitted other services, as well as prohibited services that may impair the auditor's independence. Sources of guidance may include the rules and regulations of the United States Security Exchange Commission (SEC) and the Public Company Accounting Oversight Board (PCAOB), as well as the standards set by the U.S. General Accounting Office (GAO) and the American Institute of Certified Public Accountants (AICPA).

Audit Committee Policy

Pre-approval of Audit Services

Before the University or any of its affiliates engage an independent auditor to render an audit, audit related, tax, or other service, the engagement must be either:

(1) specifically approved by the Audit Committee; or
(2) entered into pursuant to this Pre-approval Policy.

The Audit Committee shall review and discuss with the independent auditor any documentation supplied by the auditor as to the nature and scope of any tax and other services to be approved, as well as the potential effects of the provision of such services on the auditor's independence.

Delegation

The Audit Committee may delegate pre-approval authority to one or more of its members. The member or members to whom such authority is delegated shall report any pre-approval decisions to the Audit Committee at its next scheduled meeting. The Audit Committee may not delegate to management the Audit Committee's responsibilities to pre-approve services performed by the independent auditor.

Audit Services

The Audit Committee must specifically pre-approve the terms of the annual audit services engagement. The Audit Committee shall approve, if necessary, any changes in terms resulting from changes in audit scope, University structure or other matters.

In addition to the annual audit services engagement approved by the Audit Committee, the Audit Committee may grant pre-approval for other audit services, which are those services that only the independent auditor reasonably can provide.
Audit Related Services

The Audit Committee believes that the provision of audit-related services does not impair the independence of the auditor, and may pre-approve audit-related services on an annual basis.

Tax Services

The Audit Committee believes that the independent auditor can provide tax services to the University without impairing the auditor's independence. However, the Audit Committee shall scrutinize carefully the retention of the independent auditor in connection with any tax-related transaction initially recommended by the independent auditor.

Other Services

The Audit Committee may grant pre-approval to those permissible non-audit services classified as other services that it believes would not impair the independence of the auditor, including those that are routine and recurring services.

Pre-Approval Fee Levels

The Audit Committee may consider the amount or range of estimated fees as a factor in determining whether a proposed service would impair the auditor's independence. Where the Audit Committee has approved an estimated fee for a service, the pre-approval applies to all services described in the approval. However, in the event the invoice in respect of any such service is materially in excess of the estimated amount or range, the Audit Committee must approve such excess amount prior to payment of the invoice. The Audit Committee expects that any requests to pay invoices in excess of the estimated amounts will include an explanation as to the reason for the overage. The University’s independent auditor will be informed of this policy.

Supporting Documentation

With respect to each proposed pre-approved service, the independent auditor must provide the Audit Committee with detailed back-up documentation regarding the specific services to be provided.

Procedures

The University’s management shall inform the Audit Committee of each service performed by the independent auditor pursuant to this Pre-Approval Policy. Requests or
applications to provide services that require separate approval by the Audit Committee shall be submitted to the Audit Committee by both the independent auditor and the Senior Vice President for Finance and Budget. Requests must include a joint statement as to whether, in their view, the request or application is consistent with the rules of relevant accounting standard setting organizations on auditor independence.

Notes

1. Dates of official enactment and amendments:
   Adopted by the Audit Committee on September 17, 2007.
2. History:
   None
3. Cross References
   None