

UNIVERSITY OF TORONTO

THE GOVERNING COUNCIL

**REPORT NUMBER 95 OF THE AUDIT COMMITTEE**

**September 15, 2010**

To the Business Board,  
University of Toronto.

Your Committee reports that it held a special meeting on Wednesday, September 15, 2010 at 5:00 p.m. in the Board Room, Simcoe Hall, with the following members present:

Mr. George E. Myhal (In the Chair)  
Ms Paulette L. Kennedy (Vice-Chair)  
Professor Ramy Elitzur  
Mr. J. Mark Gardhouse  
Mr. Joseph Mapa  
Ms Penny Somerville  
Mr. W. John Switzer

Mr. Chris Thatcher  
  
Ms Catherine J. Riggall,  
Vice-President, Business Affairs\*  
Mr. Mark Britt, Director, Internal Audit  
  
Mr. Neil Dobbs, Secretary

\* In attendance for items 1 and 2.

ALL ITEMS ARE REPORTED TO THE BUSINESS BOARD FOR INFORMATION.

**1. Orientation**

Ms Riggall presented an orientation to members of the Committee dealing with: the role of the Audit Committee; the University as a not-for-profit entity; reports made to the Audit Committee; the financial-control framework; the University's financial reporting and disclosure; the University's risk-management framework; the University's whistle-blower policy; and certain general areas of concern.

**2. Review of Current Trends**

In the course of the orientation presentation, a wide-ranging discussion took place. Among the topics that arose in that discussion were: the Committee's reporting relationship to the Business Board rather than the Governing Council; the Committee's role in the oversight of financial management; the University's process for risk management and the Committee's role in risk management; the preparation of a financial forecast rather than quarterly financial statements; and the business implications of the relationship with the federated universities.

In the course of the discussion of the risk-management process, Ms Riggall suggested that the Committee devote a full meeting to consideration of the annual report on that subject. The Committee could use the March meeting date, previously a reserve date, for that purpose. Also in the course of that discussion, a member suggested that the name of the Committee be changed to the Audit and Risk-Management Committee to stress the importance of the latter function.

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THE COMMITTEE MOVED *IN CAMERA*.

**3. Internal Audit: Current Role and Mandate**

Mr. Britt outlined the work of the Internal Audit Department and some of the challenges it faced in carrying out its responsibilities. A general discussion followed.

It was agreed that the agenda for each meeting should include an *in camera* meeting with the Director of the Internal Audit Department which meeting could focus on broader issues rather than dealing only with issues that arose in departmental and continuous audits.

The meeting adjourned at 7:20 p.m.

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Secretary

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Chair

November 26, 2010

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