



TO: Audit Committee

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DATE: June 2 for June 22, 2005 Audit Committee meeting.

AGENDA ITEM: Audit Committee Item 4
Business Board Item 4

ITEM IDENTIFICATION:

Appointment of External Auditors for 2005-6

JURISDICTIONAL INFORMATION:

The Audit Committee's terms of reference (item 5.1(I)) states that the Committee recommends the annual appointment of the external auditors. The recommendation is made to the Business Board, which in turn makes a recommendation to Governing Council.

PREVIOUS ACTION TAKEN:

The University's purchasing policy requires that the appropriate Vice-President or the CFO is responsible for conducting regular reviews of contracted consulting or professional services, such as audit services, approximately every five years. Factors to be considered in conducting reviews and evaluating tenders when called will include price, service, quality, personnel deployed and track record. A review does not necessarily lead to a tender call if the Vice-President or CFO deems it advisable to continue to engage the same supplier of the service. Last year, the CFO conducted a full review of the audit services and no issues have arisen that would require a full review at this time.

FINANCIAL AND/OR PLANNING IMPLICATIONS:

None. Audit fees for 2005-6 to be negotiated by the CFO.

RECOMMENDATION:

A recommendation to the Business Board of the appointment of Ernst & Young LLP as auditors of the University and for the pension plans, and a recommendation to the University of Toronto Innovations Foundation to appoint Ernst & Young LLP as auditors.

It is recommended that:

- 1) Ernst & Young LLP be appointed as external auditors of the University of Toronto for the fiscal year ending April 30, 2006;
- 2) Ernst & Young LLP be re-appointed as external auditors of the University of Toronto pension plans for the fiscal year ending June 30, 2006;
- 3) The members of the University of Toronto Innovations Foundations are requested to appoint Ernst & Young as external auditors of the Foundation for the fiscal year ending April 30, 2006 at remuneration to be fixed by the directors of the Foundation.