



FOR RECOMMENDATION

PUBLIC

OPEN SESSION

TO: Business Board

SPONSOR: Trevor Rodgers, Chief Financial Officer
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PRESENTER: Same as above.
CONTACT INFO:

DATE: May 16, 2022 for June 21, 2022

AGENDA ITEM: 7

ITEM IDENTIFICATION:

Appointment of External Auditors for 2022-23

JURISDICTIONAL INFORMATION:

The Business Board recommends the appointment of external auditors to the Governing Council.

GOVERNANCE PATH:

1. Audit Committee [for recommendation] (June 20, 2022)
2. **Business Board [for recommendation] (June 21, 2022)**
3. Executive Committee [for endorsement and forwarding] (June 28, 2022)
4. Governing Council [for approval] (June 28, 2022)

PREVIOUS ACTION TAKEN:

At the March 6, 2014 Audit Committee meeting, the Committee completed its review of its governance activities. As part of this process, the University tendered its external auditor services for the 2014-15 financial statements and recommended the appointment of Ernst & Young. The University is expected to review the appointment of the external auditors every 10 years, with the next review to be conducted for the 2024-25 fiscal year. The Audit Committee performed an assessment of the external auditor's performance at its meeting of June 16, 2021.

HIGHLIGHTS:

Ernst & Young LLP are completely independent, perform excellent work, have extensive expertise in both accounting for not-for-profit generally, and for the university sector specifically, are proactive in bringing issues and new developments forward, meet the University's very tight deadlines and heavy workload requirements for the various audits, and

therefore should be retained for the upcoming fiscal year (2022-23). The Audit Partner (Diana Brouwer), has been the lead partner since 2014-15 and is required to step down after 12 years due to independent rules.

Based on best practice for universities, there are no plans for tendering the audit in the near term. We do review this periodically.

FINANCIAL IMPLICATIONS:

Financial implications will be addressed through the established budgetary approval processes.

RECOMMENDATION:

Be it Recommended to the Governing Council

THAT Ernst & Young LLP be re-appointed as external auditors of the University of Toronto for the fiscal year ending April 30, 2023.

DOCUMENTATION PROVIDED:

- none