



FOR RECOMMENDATION

PUBLIC

OPEN SESSION

TO: Business Board

SPONSOR: Jeff Lennon, Chief Financial Officer
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PRESENTER: Same as above
CONTACT INFO:

DATE: June 11, 2026 for June 18, 2026

AGENDA ITEM: 4

ITEM IDENTIFICATION:

Appointment of External Auditors for 2026-27.

JURISDICTIONAL INFORMATION:

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

GOVERNANCE PATH:

1. Audit Committee [for recommendation (auditor appointment) and approval (acceptance of engagement letter)] (June 17, 2026)
2. **Business Board [for recommendation] (June 18, 2026)**
3. Executive Committee [for endorsement and forwarding] (June 25, 2026)
4. Governing Council [for approval] (June 25, 2026)

PREVIOUS ACTION TAKEN:

The Audit Committee conducted its annual review of the external auditor's performance at its meeting of June 17, 2026, and recommended the appointment of Ernst & Young LLP (EY) for the 2026-27 financial year.

HIGHLIGHTS:

Following a formal Request for Proposals in the fall of 2023, the Audit Committee recommended the appointment of EY to the Business Board, who in turn recommended their appointment to the Governing Council. The Governing Council approved the appointment of EY on June 27, 2024. The administration subsequently entered into a 5-year Master Services Agreement with EY, subject to their annual appointment by the Governing Council. This year marks the 2nd year of the 5-year master service agreement with EY for external audit services.

Over the course of the last year, Ernst & Young LLP (EY) provided excellent service to the University. They have extensive expertise in accounting for not-for-profit organizations and, in

particular, the university sector; are proactive in bringing issues and new developments forward; and can meet the University's very tight deadlines and heavy workload requirements.

EY continues to maintain their independence. Recognizing that EY has had a longstanding relationship with the university, a new Audit Engagement Partner (Kathi Aspros) and a new Senior Manager were assigned to the audit team in fiscal 2025. On a semi-annual basis, the administration provides the Audit Committee with a report of non-audit services provided by EY to ensure that the volume of work performed by EY does not raise concerns about their independence. The University engages other firms to provide ongoing tax services and to perform the audit of many of its financial reports on government grants when required. The audits of LEAP LP a subsidiary of the University, UTSC Residence LP, a related company of which the University is the General Partner, and Spadina Sussex University residence, a joint-venture of the University, are separately audited by other firms.

For the fiscal year 2026-27, the administration recommends retaining EY as the University's external auditor.

FINANCIAL IMPLICATIONS:

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

RECOMMENDATION:

Be It Recommended,

THAT Ernst & Young LLP be appointed as external auditors of the University of Toronto for the fiscal year ending April 30, 2027.

DOCUMENTATION PROVIDED:

N/A