

**UNIVERSITY OF TORONTO**

**THE GOVERNING COUNCIL**

**REPORT NUMBER 127 OF THE AUDIT COMMITTEE**

**May 11, 2018**

To the Business Board,  
University of Toronto

Your Committee reports that it met on Friday, May 11, 2018, at 12:30 p.m. in the Governing Council Boardroom, Simcoe Hall, with the following members present:

Jeff Collins (Chair)

Janet Lynne Ecker (Vice-Chair)

Robert Boeckner

Sue Graham-Nutter

Kathryn A. Jenkins

Christopher Thatcher

**REGRETS:**

Scott Mabury, Vice-President University Operations

Claire Kennedy

Brian K. Johnston

N. Jane Pepino

**Non-Voting Assessor:**

Mark L. Britt, Director Internal Audit

Sheila Brown, Chief Financial Officer

Sheree Drummond, Secretary of the Governing Council

**Secretariat:**

Joan Griffin

**In Attendance:**

Diana Brouwer, Ernst & Young

Daniel Ottini, Deputy Director, Internal Audit

Pierre Piché, Controller and Director of Financial Services

Joyce Yu, Ernst & Young

All items are reported to the Business Board for information.

**1. Chair's Remarks**

The Chair welcomed members to the meeting and reminded them that the Committee met in closed session. He encouraged members to participate fully and to engage in discussion throughout the meeting. He also, once again, thanked members for their consideration of the Risk Report at the previous meeting and noted that he was heartened to see that the topic continued to provide a high level of engagement.

**2. Report of the Previous Meeting**

Report number 126, from the meeting of April 16, 2018 was approved.

**3. Business Arising from the Report of the Previous Meeting**

There was no business arising from the report of the previous meeting.

**4. Draft Audited Financial Statements and Notes – April 30, 2018**

The Committee reviewed this item for information. Pierre Piché, Controller and Director, Financial Services, spoke to the Notes and indicated that the early discussion was an opportunity to provide members with useful context prior to their consideration of the full report at the Committee meeting on June 18, 2018.

He identified three areas where disclosures had been added for 2017-2018: the voluntary disclosure of the sinking fund, additional disclosure of endowments that have a fair value below the donated capital, and the clarification that land is included in investment in capital assets, stating that this information would offer greater transparency of reporting.

Committee members commented on the importance of increasing disclosures and transparency and on the value of the planned changes. Dr. Piché commented that no further changes were anticipated to the report for this year, and that the University was always monitoring accounting standards for reporting.

**5. External Auditors**

**a. Report on Non-Audit Services by the External Auditors for the period from October 1, 2017 to March 31, 2018**

The Report on Non-Audited Services by the External Auditors was received for information.

**6. Reports of the Administrative Assessors**

There were no additional reports from the Administrative Assessors.

**7. Date of the Next Meeting**

Members were reminded that the next meeting was scheduled for Monday, June 18<sup>th</sup> 2018, 4:00 – 6:00 p.m.

**8. Other Business**

There were no matters of other business.

*The Committee Moved In Camera.*

**9. Internal Auditor – Private Meeting**

**10. Committee Members Alone**

The meeting adjourned at 1:40 p.m.

---

Secretary

May 28, 2018

---

Chair