

POLICY 2.5 – Retention of Consultants: Audit, Accounting and Tax

Policy Category: Financial
Effective Date: September 26, 2006
Supersedes: September 30, 2004

POLICY

- 1.00 During the course of the day-to-day business of the University or its subsidiary and related companies, audit, accounting and tax issues may arise requiring the advice of external consultants. Such services are not covered by the external audit fee approved by the Audit Committee on behalf of the Board of Governors and/or Boards of Directors of the subsidiary and related corporations, and no retainer is provided. Before arranging for such services, it is necessary to obtain approval from the Controller for University-related business, and from the CEO, General Manager or equivalent for business relating to subsidiary or related entities.
- 2.00 The University will not engage its external auditor to carry out any Prohibited Service as determined by the Canadian Institute of Chartered Accountants.
- 3.00 The Audit Committee will approve a list of non-audit pre-approved services. The University's external auditors may complete these services. Periodically (e.g. annually), the Audit Committee will update the list of Pre-Approved Services and pre-approve services that are recurring or otherwise reasonably expected to be provided. See [Appendix 1](#) for Pre-approved List.
- 4.00 The Audit Committee will be subsequently informed annually of the services for which the University's external auditor has been actually engaged.
- 5.00 Any additional requests for pre-approval will be addressed on a case-by-case specific engagement basis as described in below.

PROCEDURE

- 6.00 The individual seeking the service ("requestor") must first contact the Controller for advice and/or direction. In the case of subsidiary or related corporations, the approval by the entities' CEO, General Manager or equivalent must accompany the request.
- 7.00 If it is agreed external advice is required and the work should be performed by the external auditor as appointed annually the Board of Governors and/or Board of Directors of the related corporations in accordance with Board policy, the requestor will be responsible for outlining the nature and scope of the service to be performed, the estimated fee, a statement that the service is not a Prohibited Service and the reason the external auditor is being engaged.
- 8.00 If the service required is on the Audit Committee Pre-Approved list then a purchase requisition must be prepared with details as to the estimates and particulars.

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- 9.00 If the service required is not on the Audit Committee Pre-approved list, the requestor will submit the proposal for service to the Vice-President (Operations & Finance).
- 10.00 For Services where the aggregate fees are estimated to be less than or equal to \$10,000 the proposal will be submitted by the Vice-President (Operations & Finance) to the Chair of the Audit Committee for consideration and approval. The full Audit Committee will subsequently be informed of the service, at its next meeting. The engagement may commence upon approval of the Chair of the Audit Committee.
- 11.00 For services where the aggregate fees are estimated to be greater than \$10,000 the proposal will be submitted by Vice-President (Operations & Finance) to the full Audit Committee for consideration and approval, generally at its next meeting or at a special meeting called for the purpose of approving such services. The engagement may commence upon approval of the full Committee.
- 12.00 If the work is to proceed, the requester must prepare a purchase requisition, with details as to the estimates and particulars. For an extended consultation project, use of a 'standing' purchase requisition should be considered. Unless otherwise arranged with the Controller funding for all work performed will be the responsibility of the budget unit or related corporation requiring or benefitting from the work.

**UWO
Audit Committee
Non-Audit Services B Pre-Approved List**

This list contains the services that the University's external auditors can provide without further approval from the Audit Committee.

Audit-Related:

- Audits required by governments in connection to funds they have provided to the University. These would include and be similar to the Ontario Student Assistance Program (OSAP) compliance audits, Access to Opportunities (ATOP) program audit, Federal Family Education Loan Program compliance audit, Enrolment Audit, and funds provided for research, such as ORDCF and Capital Program Audits (CSP's).

Tax Services:

- Advice relating to sales tax B GST and PST.
- Advice relating to tax issues relating to employment relationships.
- Advice relating to the tax issues relating to donations.