



STAFF REPORT INFORMATION ONLY

Appointment of External Auditors for the Years 2008 to 2012 Inclusive

Date:	March 14, 2007
To:	Audit Committee
From:	Jeff Griffiths, Auditor General
Wards:	All
Reference Number:	

SUMMARY

Under Section 139 of the *City of Toronto Act*,

- “(1) The City shall appoint an auditor licensed under the *Public Accounting Act, 2004* who is responsible for,
- a) annually auditing the accounts and transactions of the City and its local boards and expressing an opinion on the financial statements of these bodies based on the audit; and
 - b) performing duties required by the City or local board.

Term

- (2) A city auditor shall not be appointed for a term exceeding five years.

Non-employee

- (3) Despite any Act, the city auditor shall not be a city employee or an employee of a local board of the City.”

This report is to advise the Audit Committee that the current five-year contract with the City’s auditors Ernst & Young expires once the audit for the financial statements for the year ending December 31, 2007 is complete. As a result, the Auditor General will be issuing a Request for Proposal for financial audit services for the next five years in the summer of 2007.

FINANCIAL IMPACT

There is financial impact as a result of this report.

COMMENTS

In creating the Auditor General's Office, City Council assigned the Auditor General, among other things, responsibility to "oversee the work of external auditor(s) performing financial statement/attest audits."

The current five-year City Auditor's contract with the incumbent Ernst & Young expires on the fiscal year ending December 31, 2007. The Auditor General will be issuing a Request for Proposal in mid 2007 with a recommendation to the Audit Committee for the appointment of auditors for the next five years.

CONTACT

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SIGNATURE

Jeff Griffiths, Auditor General

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