



## Policies, Procedures and Guidelines

Complete Policy Title:  
**Policy on Use of External Auditor for  
Non-Audit Services**

Approved by:  
**Audit Committee of the Board of  
Governors**

Date of Original Approval(s):  
**February 3, 2011**

Responsible Executive:  
[Vice President, Administration](#)

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Supersedes/Amends Policy  
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Enquiries:  
[Vice President, Administration](#)

**DISCLAIMER:** *If there is a Discrepancy between this electronic policy and the written copy held  
by the policy owner, the written copy prevails.*

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## **POLICY ON USE OF EXTERNAL AUDITOR FOR NON-AUDIT SERVICES**

### **1.0 Purpose**

The Audit Committee is responsible to ensure that the objectivity and independence of the external auditor is maintained while providing non-audit services. The primary role of the external auditor is to perform audits for which an audit opinion is issued.

A non-audit service is defined as a service for which an external audit opinion is not issued and for which an additional fee is charged by the audit firm.

The purpose of this policy is to articulate the authorities and parameters for engaging the external auditor for non-audit services.

### **2.0 Management Policy**

The University will not engage its external auditors to carry out any prohibited services which may compromise independence such as:

1. Bookkeeping and related services [includes payroll and cash handling]
2. Financial information systems design and implementation
3. Appraisal and valuation services
4. Actuarial services
5. Internal Audit outsourcing
6. Management functions [including staff secondment]
7. Human resources services
8. Broker dealer or other investment advisory services
9. Legal services
10. Expert services [litigation support]

The external auditor may refuse any assignment that it deems to infringe on its independence.

The Chair of the Audit Committee has the authority to approve the engagement of the external auditor for non-audit services. All non-audit services greater than \$25,000 require the pre- approval of the Chair of the Audit Committee. Non-audit services less than \$25,000 requires the approval of the Vice President [Administration].

The Audit Committee is to receive an annual report from the external auditor which lists all non-audit services performed by the external auditor.