

# Information Report

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Service Area	Corporate Services
Date	Friday, April 24, 2020
Subject	<b>2020 Selection and Appointment of External Auditor</b>

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## Executive Summary

### Purpose of Report

To provide an overview of the process to be followed for the selection and appointment of the external auditor in 2020.

### Key Findings

The process for the selection and appointment of the external auditor is governed by a Council-approved policy. A request for proposal (RFP) is required to be issued after the completion of the 2019 external audit and will cover the years 2020 through 2024. The Chair and Vice-chair of the Audit Committee will participate in the selection of the external auditing firm. Council will be required to approve the recommended external auditor in the fall of 2020.

### Financial Implications

There are no financial implications resulting from this report.

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## Report

### Details

Section 296 of the Municipal Act, 2001 requires that a municipality shall appoint an auditor licensed under the Public Accounting Act, and that the term of the appointment shall not exceed five years.

In 2015 the City issued an RFP for City Auditor covering the fiscal years 2015 to 2019. The successful bidder was KPMG and audit services have been provided to the City for the aforementioned years.

The process for the selection and appointment of the external auditor is governed by a Council-approved policy. An RFP is required to be issued after the completion of the 2019 external audit and will cover the years 2020 through 2024. The Chair and Vice-chair of the Audit Committee will participate in the selection of the external auditing firm.

The key components related to the selection and appointment of the external auditor are:

1. RFP process and timelines

2. Composition of the evaluation committee
3. Evaluation criteria
4. Independence considerations
5. Content of the RFP
6. RFP evaluation and recommendation

### **Financial Implications**

There are no financial implications resulting from this report.

### **Consultations**

Staff will be consulting with the City's Local Boards and related agencies to be part of the RFP process. While this does not obligate those entities to use the City's external auditor, it enables pricing for audit services for consideration and efficiency in procurement processes.

### **Strategic Plan Alignment**

Competitive procurement supports the Strategic Plan's Working Together for our Future pillar through maintaining a fiscally responsible local government.

### **Attachments**

None noted.

### **Report Author**

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