

| | |
|------------------------|---|
| Policy No. | B.1.8 |
| Title | SELECTION AND APPOINTMENT OF AUDITORS PROCEDURES |
| Approving Jurisdiction | Board |
| Policy Sponsor | Vice President, Finance and Administration |
| Last Revised/Replaces | February, 2011 |
| Effective Date | March 3, 2011 |
| Signed by | Don Fairbairn, Chair, VCC Board of Governors |

DEFINITIONS

There are no definitions that relate specifically to this Policy and Procedures

PROCEDURES

1. The Finance Committee of the Board will recommend the appointment of the external auditors to the Board annually.
2. The Finance Committee will normally initiate a Request for Proposal (RFP) process to invite quotations to select the College's external auditor services every three years. The Finance Committee may recommend an extension of audit services assignment beyond the normal three year term if, in their opinion, such an extension does not negatively impact the quality of audit services received by the College.
3. The Request for Proposal process should begin at least six months prior to the normal start of the external auditor's activities for the coming year.
4. The Finance Committee, in conjunction with management, will identify the selection criteria, which will include but not necessarily be limited to, the following:
 - general experience of the audit firm
 - specific experience of the audit firm with public, post-secondary institutions
 - experience of specific individuals to be assigned to the audit
 - knowledge of current auditing standards and practices
 - knowledge of current accounting standards and practices as they apply to public, post-secondary institutions
 - size of the firm
 - ability of the firm to meet the College's time requirements
 - financial factors including: estimate of audit hours; billing rates and overall price
 - other information as may be determined

5. The College's Purchasing Department will manage the Request for Proposal process following its normal procurement practices.
6. An Evaluation Committee will be appointed by the Finance Committee to review proposals, carry out an evaluation and make a recommendation to the Finance Committee of the Board.
7. The Evaluation Committee will be composed of three, voting Board members and the Director, Financial Services. The three voting Board members will consist of the Chair of the Board Finance Committee and two other, voting Board members as appointed by the Finance Committee Chair.
8. The Finance Committee will meet with the Evaluation Committee to review the process followed to determine the recommended audit firm, to assess the recommendation and, in turn, make a recommendation to the Board for their approval.

RELATED POLICY

Refer to Selection and Appointment of Auditors Policy