

POLICY: AUDITOR INDEPENDENCE

Developed by: G. Webb, Chief Financial Officer	Review or Revision by: G. Webb, Chief Financial Officer
Approval Date: Initial: May 31, 2005 Revised: June 2007, Dec 2011, Jan 2015, Nov 2019,	Review or Revision Date: Every Three Years
Approved by: Board of Directors, Chair of the Board	Signature(s): _____

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Policy Statement

To ensure the Hospital’s auditors are independent in terms of objectivity and free from conflicts-of-interest or potential conflicts-of-interest, it is Hospital policy that the auditor firm will not be engaged or contracted to perform services other than those within the scope of the audit.

For greater clarity, the Hospital’s auditor will not be invited, engaged, nor contracted to complete other services, including but not limited to: bookkeeping and accounting services; information technology system services; tax services; actuarial services; valuation services; internal audit services; expert services including litigation support; legal services; management functions; human resources services; corporate financial services; and, consulting services.

Risk

Threats to auditor independence include self-interest, self-review, advocacy, familiarity and intimidation. Although auditor firms may have established guidelines and processes to mitigate potential risks to their independence, the Hospital wishes to ensure an absolute division between audit services and all other services. Otherwise, there is risk to the Hospital that the auditor may not fulfil their duties to the fullest extent possible, and as a result, could lead to financial loss and impairment in public confidence.

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Responsibilities/Accountabilities

The Members of the Corporation shall annually appoint the Corporation's auditor. Management shall not invite the Hospital's auditing firm to compete on any services other than those relating to audit functions.

Keywords

Auditor
Independence