

Appendix B: Sample Auditor's Letter of Engagement

[Date]

[Address to client (i.e., the person appointing the public accountant). The letter may be addressed to the attention of the CEO or other authorized client representative.]

Dear [client's name]

The purpose of this letter is to confirm our mutual understanding of the terms of our engagement to perform, and report on the results of, specified auditing procedures relating to [name of institution]'s reporting of enrolment and graduate information and will cover the following location:

[List location(s) with exact addresses.]

OUR RESPONSIBILITIES

We will perform the auditing procedures specified in the Ministry of Colleges and Universities (MCU) document *2023 Key Performance Indicator Audit Guideline: Private Institutions Seeking First-Time Approval for the Purposes of OSAP* (the audit guideline) for your institution for periods specified in *2023 Key Performance Indicator Operating Procedure: Private Institutions Seeking First-Time Approval for the Purposes of OSAP* (the operating procedure). MCU requires the performance of these specified auditing procedures and this report.

In performing this engagement, we will comply with Canadian auditing standards as set out in the *Chartered Professional Accountants Canada Handbook* while conducting these specified auditing procedures.

Our report will be addressed to [title of appropriate person, group] of [name of institution], Forum Research Inc., and MCU. All of our findings as a result of applying the specified auditing procedures referred to above, including any exceptions, deficiencies/errors, and omissions we detect, regardless of their nature, size, or frequency, will be set out in our report or appendices to it, in a format acceptable to MCU.

One of the underlying principles of our profession is a duty of confidentiality with respect to client affairs. Accordingly, we will not provide any third party, other than MCU, with information regarding *[name of institution]* unless required to do so by lawful authority or our profession's rules of professional conduct. In particular, we recognize that MCU is subject to the Freedom of Information and Protection of Privacy Act. The institution and its officers and employees are bound by the Personal Information Protection and Electronic Documents Act, 2000. Confidentiality agreements concerning documents to which we will have access in the course of performing the specified procedures have been signed. Accordingly, we undertake to keep information contained in such documents confidential.

MANAGEMENT'S RESPONSIBILITIES

Responsibility for overall compliance with "the operating procedure" and "the audit guideline" rests with management of the institution. In particular, management is responsible for implementing policies and procedures to prevent and detect errors and misrepresentation. It is recognized that, because of inherent limitations in controls, even well-designed and effectively operating policies and procedures may not prevent and detect all errors or instances of misrepresentation.

In addition, management is responsible for making available to us, on request, all information that we require, including all student records and related information, and knowledgeable personnel to whom we may direct enquiries, and for providing us with written representations concerning enrolments.

Management agrees that our report is for use solely in connection with *[name of institution]*'s reporting of KPI data as required in related documents for the period specified in our report.

ATTACHED STANDARD TERMS AND CONDITIONS

The attached standard terms and conditions form part of our mutual understanding of the terms of our engagement. (**Note:** Public accountants would attach terms and conditions related to matters such as timely performance of the service, right to terminate services, fees, expenses, billing arrangements, taxes, ownership of working papers, indemnification, and survival of terms.)

MCU APPROVAL OF ENGAGEMENT

We understand that this engagement is subject to approval by MCU. Also, we understand that we will not proceed with this audit until such approval is given.

OTHER MATTERS

Any additional services that you may request and we agree to provide will be the subject of separate written arrangements.

This engagement contract will continue in force for subsequent engagements unless amended by the mutual consent of ourselves and *[name of institution]*.

If the services outlined in this letter of engagement are in accordance with your requirements, and if the above terms are acceptable to you, please have one copy of this contract signed in the space provided below and return it to us.

Yours very truly,

[Signature]

[Date]

[Name of public accountant and public accountant's licence number]

[Telephone number and email address of public accountant]

The services and terms set forth in this contract are agreed to.

[Name of institution]

Signed by:

[Signature]

[Date]

[Name]

[Title]

[Telephone number and email address]