Message

From: Susan Nicholson [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=F668E601BD2B4865A5C31DCA531047C8-SUSAN NICHO]
Sent: 2017-10-17 2:18:37 PM
To: Megan Filey [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=ea0b4cc1f5114f958e355198bb05e970-Megan Filey]
Subject: FW: Item 3c(ii)Memo-Appointment of External Auditors.docx

I think this is the last correspondence that I have.

From: Susan Nicholson
Sent: October 04, 2017 4:19 PM
To: Megan Filey
Cc: Kim Marshall; Susan Nicholson
Subject: FW: Item 3c(ii)Memo-Appointment of External Auditors.docx

Megan - one other thought, was there any TPV left on the fOPA's purchase order for KPMG audit work. It strikes me that part of the overspend on this purchase order is due to increases in audit scope resulting from the merger (in addition to Fair Hydro).

Thanks, Susan

From: Megan Filey
Sent: October 04, 2017 1:33 PM
To: Susan Nicholson
Subject: RE: Item 3c(ii)Memo-Appointment of External Auditors.docx

As discussed, the amount included under item #2 below should not be included in the Purchase Order totals as the funds are drawn directly from the pension fund.

The [redacted]s covered through PO 4133.
Reducing the TPV by the $[redacted]for Pension and the $[redacted]for Taxation/Education, the actual total procurement value for PO 4132 should be $[redacted]
The YTD spend, including the most recent invoice, is $1,020,543. $363K of that is related to Fair Hydro.

You need at least $[redacted]for 2018/2019 (not including contingency) based on the resent adjustment from KPMG. Additional funds to cover any remaining dollars owed for Fair Hydro and contingency for other unknowns is above and beyond that number.

Any revisions made will be single sourced and require justification.

From: Susan Nicholson
Sent: October 04, 2017 1:00 PM
To: Megan Filey
Subject: FW: Item 3c(ii)Memo-Appointment of External Auditors.docx

FYI also.

From: Susan Nicholson
Sent: September 25, 2017 3:16 PM
To: Kim Marshall
Cc: Susan Nicholson
Subject: RE: Item 3c(ii)Memo-Appointment of External Auditors.docx

RFP released November 13, 2009 and closed December 18, 2009

"The recommendation approved by the IESO Board to appoint KPMG for five years including a possible extension of a second five year term. Therefore, the total procurement value estimated below includes costing for ten years with a 3% inflation rate added for years six to ten.

1) Corporate Financial Statement Audit: $[redacted]
2) Pension Plan Financial Statement Audit: $[redacted]
3) Contingency for ad-hoc Taxation/Education Services; $[redacted]
4) Contingency of 30% (SME, handbook changes, large/organizational tax changes): $[redacted]k

Total procurement value of contract $[redacted]

The first 5 year term was the 2010 to 2014 year ends.

The second 5 year term will take us to 2019 year end.

To date we have set up [redacted]n the purchase order, and have paid $[redacted]of that.

From: Kim Marshall
Sent: September 25, 2017 1:45 PM
To: Susan Nicholson
Subject: RE: Item 3c(ii)Memo-Appointment of External Auditors.docx

Can you pls send me the history – dates of rfp etc

Kimberly Marshall | VP, Corporate Services & CFO
Independent Electricity System Operator (IESO) | T: (416) 969-6232 | C: (416) 545-7202
120 Adelaide Street West, Suite 1600, Toronto, ON M5H 1T1
Web: www.ieso.ca | Twitter: IESO_Tweets | LinkedIn: IESO

Corporate Services collaborates with you to deliver solutions and expertise that enable the IESO to achieve its goals.

From: Susan Nicholson
Sent: September 25, 2017 1:40 PM
To: Kim Marshall
Cc: Susan Nicholson
Subject: Item 3c(ii)Memo-Appointment of External Auditors.docx

FYI, here is the memo we gave them in August regarding the contract term and we had a similar memo in April 2016 with the following (corrected) paragraph:

"During the March Audit Committee meeting, Management was asked to investigate if there is a mandatory period for audit partner rotation in Canada. We are happy to report back that based the Canadian Public Accountability Board (CPAB) Rules of Professional Conduct, no ~~minimum~~ maximum engagement period exists as the IESO is neither a reporting issuer nor a listed entity."