

KORN FERRY INTERNATIONAL
Form 8-K
June 07, 2004

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): **June 7, 2004**

Korn/Ferry International

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-14505
(Commission File
Number)

95-2623879
(IRS Employer
Identification No.)

1800 Century Park East, Suite 900, Los Angeles, California
(Address of Principal Executive Offices)

90067
(Zip Code)

Registrant's telephone number, including area code: **(310) 552-1834**

N/A
(Former Name or Former Address, if Changed Since Last Report)

ITEM 5. OTHER EVENTS AND REGULATION FD DISCLOSURE.

On May 20, 2004, the Company was advised by the Staff of the United States Securities and Exchange Commission that it is conducting an informal inquiry into certain independence issues arising out of payments made by Ernst & Young LLP, the Company's independent auditor (E&Y), to a company affiliated with Mr. Mark C. Thompson, a former director of the Company, for products and services provided by that company to E&Y. In connection with the inquiry, the Company has been asked, and it has agreed, to provide voluntary cooperation to the Staff. At the Company's annual meeting in September 2003, Mr. Thompson did not stand for re-election as a director of the Company, and therefore ceased to be a director as of September 10, 2003.

Based upon publicly available documents, the Company understands that in December 2002, the company affiliated with Mr. Thompson entered into a contract with E&Y and that from December 2002 to April 2004, E&Y paid aggregate consideration to that company of \$377,500, plus reimbursement of expenses.

The Company has been advised by E&Y that it has conducted an internal review concerning its payments to the company affiliated with Mr. Thompson, and whether such payments impaired E&Y's independence as the Company's outside auditor. Based on its internal review, E&Y has delivered to the Company's audit committee a written confirmation of its independence, and its belief that the payments made to the company affiliated with Mr. Thompson did not impair E&Y's independence. Based on this written confirmation from E&Y, and based upon the Company's current knowledge of the facts and circumstances, the Company believes that E&Y's independence was not impaired as a result of its payments to the company affiliated with Mr. Thompson.

The Company intends to continue to fully cooperate with the SEC's ongoing inquiry.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has caused this current report to be signed on its behalf by the undersigned hereunto duly authorized.

Korn/Ferry International

Date: June 7, 2004

By: /s/ Gary D. Burnison
Name: Gary D. Burnison
Title: Executive Vice President and
Chief Financial Officer