

MEMO# 26582

October 15, 2012

IDC Collaborates to Help Audit Committees Annually Evaluate External Auditor

[26582]

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TO: INVESTMENT COMPANY DIRECTORS No. 8-12
ACCOUNTING/TREASURERS COMMITTEE No. 14-12 RE: IDC COLLABORATES TO HELP AUDIT COMMITTEES ANNUALLY EVALUATE EXTERNAL AUDITOR

IDC, in collaboration with a number of other financial organizations, today published a tool to assist audit committees, including fund board audit committees, in performing an annual evaluation of the external auditor in order to make an informed recommendation to the board whether to retain the auditor. [\[1\]](#)

The auditor evaluation tool provides fund board audit committees with a brief, scalable approach that allows them to take advantage of formal and informal opportunities to objectively evaluate the auditor's performance. The tool contains sample questions to assess the services and sufficiency of resources provided by the auditor, the communications and interactions with the auditor, and the auditor's independence, objectivity and professional skepticism.

Amy B.R. Lancellotta
Managing Director

endnotes

[\[1\]](#) The tool can be found on IDC's website at http://www.idc.org/pdf/pub_12_audit_eval.pdf.