

**MEMO# 9125**

August 5, 1997

## **POSSIBLE FORMATION OF AD HOC INTERNAL AUDIT COMMITTEE; MEETING SCHEDULED FOR SEPTEMBER 16TH**

August 5, 1997 TO: ACCOUNTING/TREASURERS COMMITTEE No. 21-97 COMPLIANCE  
ADVISORY COMMITTEE No. 21-97 OPERATIONS COMMITTEE No. 27-97 PRIMARY CONTACTS -  
MEMBER COMPLEX No. 51-97 SEC RULES COMMITTEE No. 74-97 RE: POSSIBLE FORMATION  
OF AD HOC INTERNAL AUDIT COMMITTEE; MEETING SCHEDULED FOR SEPTEMBER 16TH

In recent years, a growing number of Institute member firms have sought to enhance the effectiveness of their internal controls through the development and implementation of internal audit procedures. In recognition of this important function, and consistent with our longstanding focus on promoting compliance, the Institute is considering forming an ad hoc internal audit committee. The committee would provide a forum for internal audit and other interested personnel from different mutual fund groups to meet periodically to discuss issues of common concern. We will hold an initial meeting of the Ad Hoc Internal Audit Committee on Tuesday, September 16th at 10:00 a.m. in the David Silver Conference Room on the 12th Floor at the Institute. Lunch will be served following the meeting. The purposes of the meeting will be to gauge the level of member interest in participating on an Institute internal audit committee, to identify relevant issues for consideration by the committee and to discuss how the committee can best serve the unique needs of the mutual fund internal audit community while avoiding undue overlap with the activities of other Institute committees. We would appreciate your assistance in directing this notice to appropriate personnel at your firm (i.e., persons with internal audit or similar responsibilities). Persons wishing to participate on the committee should call Melissa Magruder at (202) 326-5823 by Monday, September 8th to let her know if they plan to attend the September 16th meeting. Paul Schott Stevens Senior Vice President General Counsel cc: Mutual Fund Roundtable Members