

**From:** [Shigley, Klaus](#)  
**To:** [Crandall, Seath](#)  
**Subject:** Mission Statement for the Audit Committee  
**Date:** Tuesday, December 22, 2020 3:35:45 PM  
**Attachments:** [F799430016464E88BC2F09C9CA9AD786.png](#)  
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Hi Seath- Please post the following to the Wayland Audit Committee Public Site. Thanks, Klaus

Hi all,

One of the items proposed for the next meeting of the Audit Committee is to talk about the mission of the Audit Committee. What follows are mission statements for Audit Committees, lifted verbatim, from the websites of various neighboring towns. Starting with Wayland.

**Wayland:**

## Charge:

On Monday, January 9, 2012, the Board of Selectmen voted to establish an Audit Committee. On September 10, 2012, and March 23, 2015, the Board of Selectmen revised the charge. The charge is as follows:

"RESOLVED, that the Board of Selectmen establish an Audit Committee to advise the Board of Selectmen, Finance Committee and town management including the Town Administrator, Finance Director/Town Accountant and Town Treasurer with respect to the town's internal auditing, financial systems and internal controls, and independent annual audit."

**FYI. This is from Natick:**

The Audit Advisory Committee, as authorized under Article 23A of the Town of Natick By-Laws, has the following roles:

The Audit Committee shall serve as advisor to the Board of Selectmen with respect to the town's internal auditing, financial systems and independent annual audit. Specific duties shall include, but are not limited to, the following:

1. Make recommendations to the Board of Selectmen on the selection of, and scope of services for, an independent auditor.
2. Review the annual financial statements and management reports and make recommendations with respect thereto.
3. Make recommendations for areas of operations where expanded scope audits or review of the internal controls may be appropriate. Note that this provision is not intended to conflict with or supersede similar authority of the Finance Committee under Article 23, section 5 of the Town By-Laws. **Note: this is where one can stick stuff like OPEB, or Investment policy reviews**
4. Review and make recommendations with respect to the Town's internal auditing and financial controls; through the Town Administrator, review with appropriate boards and departments' opportunities to improve such controls.
5. Report to the Board of Selectmen on the status of recommendations the Committee, town financial staff and/or independent auditor has made during the preceding 12 months.
6. Submit a summary of their work for the preceding calendar year for inclusion in the Town's Annual Report.

**From Brookline:**

## Mission

The Audit Committee, as required by Article 3.5 of the town bylaws, serves as an advisor to the [Board of Selectmen](#) with respect to the town's financial condition, financial management systems and controls, and annual audit. In addition, the committee reports to Town Meeting as the committee sees fit on matters within the scope of

Town Meeting's concerns. Specific duties include but are not limited to :

1. Making recommendations to the Board of Selectmen on the selection of, and scope of services for, an independent auditor
2. Reviewing the annual financial statements and reports prepared by the independent auditor and making recommendations with respect thereto
3. Making recommendations for areas of operations where expanded scope audits or reviews of the internal controls may be appropriate
4. Reviewing and making recommendations with respect to the town's financial management practices and controls
5. Reporting to the Annual Town Meeting on recommendations the committee has made during the preceding 12 months

There are 6 members of the Audit Committee. One member each is appointed by the Board of Selectmen, the Advisory Committee, and the School Committee, and 3 members are appointed by the Town Moderator. In addition to the 6 voting members, the Director of Finance, the Comptroller, the Superintendent of Schools (or his/her designee), and the Town Administrator (or his/her designee) shall serve as nonvoting members of the committee.

**From Milton**

## **Audit Committee**

**Appointed By:** Town Moderator

The Moderator shall establish and appoint a committee of five (5) persons for staggered terms not to exceed three years to be known as the Audit Committee.

The Audit Committee shall be assisted by the Town Administrator and/or other Town employees as requested by the Audit Committee in its work.

The Audit Committee shall annually develop a scope of audit services, including the review of internal controls, to be performed by an independent licensed public accounting firm.

The Committee shall develop and administer the selection process and shall recommend to the Board of Selectmen the appointment of an independent licensed public accounting firm for the conduct of the annual audit of the Town's financial statements.

The Audit Committee, after the Board of Selectmen has received the annual audited financial statements and Management Letter (inclusive of the internal controls review and findings), shall review and discuss the results with the Board of Selectmen and other elected Boards and Town officials as appropriate.

The Audit Committee shall report to the Annual Town Meeting on the ongoing compliance with the Management Letter and internal control recommendations.

The Audit Committee shall annually review the performance and independence of the audit firm and report to the Board of Selectmen.

**From Duxbury**

## **RESPONSIBILITIES**

The Audit Committee shall assist the Board of Selectmen in providing oversight of the independent audit of the Town's financial statements, including, but not limited to:

- Selection of the auditor and review the auditor's performance and statement of independence
- Review the auditor's scope of services and include any areas of concern including those expressed by the Board of Selectmen, Finance and Financial Advisory Committees. For requested additional services identified as an increase in scope, approval from the Board of Selectmen will be requested unless provided for in the annual budget.

- Periodically review the progress of the audit with the lead auditor
- Advise Board of Selectmen when issues with integrity or accuracy in financial reporting are identified
- Review the audit results and all accompanying financial statements
- Review and report status to all management letter comments in the annual report
- Review and make recommendations on the performance of the external auditors
- Verify that the Town either:
  - Engages a new external audit firm every 6 years or
  - Rotates the “Engagement Partner” every 6 years
- Report to the Board of Selectmen, the School Committee, and the Finance Committee annually that all responsibilities outlined in this charge have been carried out
- Review and assess the adequacy of the committee charge every three years, requesting Board of Selectmen approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation
- Perform other duties as may be assigned

**From Hingham:**

6. Under the direction of the Selectmen, the Committee’s responsibilities will include, but are not limited to:
  - a) Ask the Town Administrator to issue, at least every nine years, a Request for Proposals (“RFP”) for an independent auditing firm to conduct, in accordance with Generally Accepted Auditing Standards, an annual audit of the financial statements of the Town.
  - b) Assist in the RFP review and selection process and recommend to the Board of Selectmen, based on the results of the RFP, the firm to conduct the audit and the scope of services to be provided.
  - c) Review and evaluate the performance of the independent audit firm conducting the audits of the financial statements of the Town and its relationship with the Town.
  - d) Review the annual financial statement and reports prepared by the independent audit firm and make recommendations with respect to these reports as appropriate.
  - e) Review with the independent auditor and the Town Accountant/Finance Director the adequacy of the Town’s internal controls over accounting, administration, compliance with laws and regulations and financial reporting.
  - f) Make recommendations for areas of operations where expanded scope audits or reviews may be appropriate.
  - g) Review written responses of Town management to “letter of comments and recommendations” from the independent auditor and discuss with management the status of implementation of prior-period recommendations and corrective action plans.
  - h) Meet in public session at least four times per fiscal year.
  - i) Appoint a chairman and secretary annually; with no individual member serving as chairman for more than three consecutive years.
  - j) Report, at least annually, to the Town at an open meeting to the Board of Selectmen on the Committee’s activities, findings, recommendations and corrective actions taken during the preceding reporting period.
  - k) Establish a Charter for its work and annually review the Charter with the Board of Selectmen.