

Self-assessment of the performance of the audit committee

Collective performance – does your audit committee measure up?

To assess its effectiveness, the audit committee should review what it has accomplished and whether it has fulfilled its responsibilities.

This questionnaire can give you a starting point in evaluating the performance and effectiveness of the audit committee. Follow-up questions are encouraged and the committee should plan for further action as appropriate. The results of the evaluation should be discussed with the board. Among the topics to consider are the composition of the committee, meetings, activities and relationships with auditors and the executive board.

Questionnaire

The following questionnaire is provided for your use in assessing your audit committee's performance. You may find it useful to rate the extent to which your committee complies with each statement, on a scale where 5 = outstanding (or yes, if applicable), 3 = satisfactory and 1 = unsatisfactory (or no, if applicable). If the practice is not being followed or if the rating is below what you consider acceptable, space is provided to note steps your committee should take to raise performance. You might also want to use it to record any personal actions you wish to take.

Your audit committee ...	Rating					
Charter, roles and responsibilities	1	2	3	4	5	N/A
1. ... operates pursuant to a written charter and assesses its charter annually, suggesting required updates to the board for its approval.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>					
<hr/>						
2. ... has a clear understanding of the roles and responsibilities of the committee as a whole and of its individual members.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>					
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3. ... ensures that it obtains the information required to carry out all the responsibilities outlined in its charter.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>					
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4. ... operates in an atmosphere of openness and trust, where members feel free to speak their minds and pursue issues to a conclusion.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>					
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5. ... reports regularly on its activities, key issues and major recommendations to the board of directors.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>					
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Your audit committee ...	Rating					
Committee composition	1	2	3	4	5	N/A
6. ... is the right size, bringing requisite knowledge, abilities and skills to the table.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>						
.....						
7. ... has at least one member who possesses the requisite level of financial reporting knowledge or acquires such knowledge soon after joining the committee.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>						
.....						
8. ... is satisfied it has a sufficiently independent voice and is always ready to challenge the executive board constructively.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>						
.....						
Meetings	1	2	3	4	5	N/A
9. ... holds a sufficient number of meetings, scheduled at appropriate points to address its responsibilities in a timely manner.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>						
.....						
10. ... plans meetings of adequate length to allow the committee to accomplish its agenda, with time to discuss issues fully.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>						
.....						
11. ... holds meetings that are effective, getting advance buy-in on the agenda and distributing the right amount of quality advance material in a timely manner, which members review before meetings.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>						
.....						
12. ... makes sure the right individuals attend, particularly those with meaningful input on agenda items.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>						
.....						
Interaction with executive board and auditors	1	2	3	4	5	N/A
13. ... maintains a productive relationship with the executive board, maintaining open lines of communication and an ongoing dialogue.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>						
.....						
14. ... reviews internal audit plans, ensuring appropriate internal audit coverage of key control systems and the proper degree of coordination of work with external auditors.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>						
.....						

Your audit committee ...	Rating					
Interaction with executive board and auditors	1	2	3	4	5	N/A
15. ... reviews the external audit scope and approach, ensuring members understand and are satisfied with the extent of audit work anticipated and the level of assurance obtained.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>						
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16. ... builds constructive professional relationships with both internal and external auditors, putting them at their ease when bringing up sensitive issues.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>						
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17. ... discusses the performance of auditors, encouraging candid discussions with them based on clear criteria, including further improvements, in order to be in a position to recommend the auditors for re-election.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>						
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Financial statements	1	2	3	4	5	N/A
18. ... discusses with the executive board and the external auditors any significant accounting and reporting issues during the period as well as any potential SIX Comment Letters, and concurs with their resolution.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>						
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19. ... challenges areas involving management judgment, significant accounting accruals, provisions or other estimates that have a material impact on the financial statements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>						
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20. ... discusses the audit results with the external auditors and considers management's handling of proposed audit adjustments.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>						
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21. ... oversees the periodic financial reporting process and reviews interim and annual financial statements in order to be in a position to recommend to the board of directors the release of these financial statements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>						
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Risk, control and compliance	1	2	3	4	5	N/A
22. ... clearly understands, and agrees with the board of directors, the scope of the oversight responsibility in the areas of internal controls, including fraud and compliance with laws and regulations.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comments/measures:</i>						
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Your audit committee ...	Rating					
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Risk, control and compliance	1	2	3	4	5	N/A
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23. ... discusses the audit results with the external auditor, assesses how the executive board handles the weaknesses identified and the recommendations made by the external auditor.

Comments/measures:

24. ... gains an understanding of the extent of controls testing by internal and external auditors, and considers whether internal control recommendations made by internal and external auditors have been implemented by the executive board.

Comments/measures:

25. ... has sufficient time and resources to carry out the responsibilities delegated to it by the board of directors.

Comments/measures:

Evaluation and future	1	2	3	4	5	N/A
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26. ... regularly evaluates the performance of the committee as a whole and its individual members, and takes decisive corrective action, if necessary.

Comments/measures:

27. ... considers whether there are emerging issues that will demand its attention going forward and is proactive in positioning itself to deal with them.

Comments/measures:

Personal information

Last name/first name:

Function:

Company:

Date:
