

The Florida Bar Foundation
Audit Firm Review and Rotation Policy
December 2020

In December 2002, the Foundation's board approved a recommendation from the Budget & Finance Committee* regarding the policy governing review and rotation of the Foundation's audit firm.

1. The Foundation will continue the current policy of not automatically rotating auditors and that the board review annually the proposed audit engagement and fees for the coming year;
2. The Foundation will add to its current policy the requirement that, not less than every five years, a subcommittee recommended by the Finance and Audit Committee* chair and appointed by the president of the Foundation, which will consist of one of the public members of the board, will perform an in-depth, due diligence review of the Foundation's then current audit firm guided by the following criteria:
 - Firm's quality control document
 - Firm's peer review reports
 - Firm brochure
 - Firm's client references
 - Any filings with the regulatory agency (Florida Board of Accountancy)
 - Audit survey, comparing fees with comparable IOLTA programs and other Central Florida charitable organizations
 - Information provided in audit literature (e.g. AICPA's Audit Toolkit or *Checks and Balances: The Board Member's Guide to Nonprofit Financial Audits* by Andrew S. Lang)
3. That the Foundation immediately communicate with its audit firm if the following occur:
 - Changes in the audit firm's key members involved in the Foundation's engagement
 - Any sudden and/or unexpected changes in key Foundation personnel (executive director or director of finance)
 - Any significant change in the Foundation's financial status that is not attributable to general market conditions.

*has since been divided into the Audit Committee and the Budget and Finance Committee