

Member Companies only. To that end, a copy of the required acknowledgement form has been included with the Financial Audit Committee communications.

19.05 Independent Auditor Contract Review

The Committee was advised of CAR's contract review policy adopted by the Governing Committee in 2015. The policy notes that CAR will conduct an RFP for accounting services every five years. Last year, the committee voted to extend CAR's current contract with PwC for a sixth year. Mr. Gautieri described the current dual engagement involving a review of the financial statements supplemented with Agreed Upon Procedures. Given the scope of the review, he suggested that there may be an opportunity to gain cost savings by considering a regional firm for these services.

Committee discussion focused on the need to perform an RFP at five year intervals. One member suggested that ten year intervals would be sufficient. However, most agreed that the scope of the engagement may allow for cost savings at this time. The Committee also suggested adding a cyber risk component to the Agreed Upon Procedures. After a brief discussion, the Committee voted with four members in favor and one opposed to recommend to the Governing Committee that CAR perform an RFP.

MARK ALVES
Director – Compliance Audit

Boston, Massachusetts
February 8, 2019

ATTACHMENT LISTING

Docket #FAC19.02, Exhibit #1

Attendance Listing

