

New audit committee member orientation

Orientation would likely include meetings with the following people, to the extent the roles exist:

- CFO, chief accounting officer (CAO), controller and other leaders in financial management
- Internal audit leader
- Partner and others from the independent audit firm
- Other executives including the chief compliance officer (CCO), chief risk officer, general counsel, treasurer, tax leader, chief information security officer (CISO), investor relations

When a director is assigned to the audit committee, it is important to orient him or her to their new role. This will help the new member contribute to the committee quickly. The orientation program could cover:

Areas of responsibility	Possible individuals involved
Management financial reports	CFO, CAO, controller, AC chair
Critical accounting policies	CFO, CAO, controller, AC chair
Financial statement areas involving a high degree of judgment	CFO, CAO, controller, internal audit leader, tax leader, external audit partner, AC chair
Internal controls over financial reporting	CFO, controller, internal audit leader, external audit partner
Earnings trends, guidance practices and analyst interactions	CFO, controller, investor relations, AC chair
Financing and liquidity	CFO, controller, treasurer
Key areas of audit focus	External audit partner, internal audit leader, AC chair
Views of risk (e.g., ESG, cybersecurity)	CFO, chief risk officer, AC chair, CISO
Statutory and regulatory requirements	General counsel, CCO, tax leader
Compliance matters	CCO, general counsel, tax leader
Whistleblower program	CCO, general counsel, internal audit leader
Code of conduct	CCO, general counsel, internal audit leader
Legal issues and possible loss contingencies	General counsel, CFO, CAO

Depending on their background and board exposure/experience, individual directors may need different levels of orientation. For example, new audit committee members may already have:

- Financial accounting and reporting experience as a CFO, controller, CAO or external audit partner, or have education and/or a professional credential in accounting, such that they understand financial reporting, critical accounting policies, internal control over financial reporting, and the role of internal and external auditors
- Board experience so they understand how an audit committee operates

How PwC can help with an audit committee orientation program

Often, when a company adds a new audit committee member, the board chair and/or the audit committee chair will ask PwC to help with the new member's transition. In such cases, there are a few approaches we can offer:

1. The lead engagement partner can meet with the new director to discuss our role and key areas of financial reporting, internal control, and audit focus. This discussion might also cover the way PwC coordinates and uses the work of internal audit, and works with other groups within the company.
2. PwC's Governance Insights Center (GIC) team can meet with the new director to provide an update on emerging governance and audit committee issues and trends.
3. GIC can provide relevant publications and ensure the new director receives our governance materials. [Sign up](#) to receive these materials.

[Audit committee oversight checklist](#)

Many audit committees assess their own performance annually. But often those assessments focus only on composition, dynamics and core responsibilities. Here, we provide a checklist of common audit committee activities and related insights—where does your audit committee stand?

[The audit committee's role in sustainability/ESG oversight](#)

Because ESG encompasses strategy, risk, and opportunity, the board plays a vital role. But ESG is a broad topic, and the board should consider assigning various aspects of oversight to specific committees. Here we outline the role the audit committee can play in overseeing ESG disclosures.

[Annual Corporate Directors Survey](#)

Each year the survey draws hundreds of respondents. The results bring insight into what fellow directors think about key issues in the boardroom. Results are shared each fall. The 2021 survey findings are available now.

PwC's audit committee resources

Your role as an audit committee member has become more expansive and complex. You need trusted guidance and independent insights to be more strategic, informed, and effective in your oversight role. Our practical resources can help you solve important problems and stay ahead of the audit committee issues you face.

Visit [PwC's audit committee resources page](#) for a list of consolidated resources audit committees can use on a myriad of topics.



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