



## Center for Board Effectiveness

# Audit Committee *Brief*

The *Audit Committee Brief* focuses on the timely coverage of issues and insights important to audit committees. Questions, comments, or suggestions should be directed to [centerforboardeffectiveness@deloitte.com](mailto:centerforboardeffectiveness@deloitte.com).

### **Business transformation: Creating value through effective risk management and controls**

In a time when transformation is happening at a rapid pace, this article from *Deloitte Risk & Compliance Journal*, published in the *WSJ*, discusses the need for a multitiered risk management program that should consider two important categories of risk: those associated with the transformation itself and those related to building a strong business risk and controls environment in response to the transformation. Such an approach may provide greater efficiency, security, and resiliency.

[READ MORE](#)

### **2024 Audit Committee Transparency Barometer**

This Center for Audit Quality and Ideagen Audit Analytics publication highlights trends in audit committee disclosures. It discusses whether the board of directors discloses a skills matrix, board composition, and responsibilities for emerging risk areas like cybersecurity and environmental, social, and governance.

[READ MORE](#)

### **Auditor responsibilities for detecting, evaluating, and making communications about illegal acts**

This PCAOB *Spotlight* summarizes auditing requirements including examples related to detecting and evaluating illegal acts. Also discussed are the requirements around communications to the audit committee relating to illegal acts that are identified during the audit. The *Spotlight* was published concurrently with an update to the PCAOB calendar, deferring further consideration of the PCAOB's proposed new standard to address the auditor's consideration of noncompliance with laws and regulations (NOCLAR) to calendar year 2025. This change provides the Board additional time for analysis of comment letters and other public responses to the NOCLAR proposal.

[READ MORE](#)

### **Succession steps for readying the next CFO**

The selection and onboarding of a new CFO is an important inflection point for companies and their finance functions. According to this *Deloitte CFO Journal* article, published in the *WSJ*, important steps that incumbent CFOs can take to navigate this process include making sure the CFO role profile is up to date, taking stock of the pipeline of talent, identifying and addressing skill gaps, and providing potential successors with opportunities to interact with the C-suite and the board.

[READ MORE](#)

### **CAQ's 2024 Audit Partner Pulse Survey results**

The Center for Audit Quality recently surveyed audit partners from leading public company audit firms about their views on the current US business environment. Areas highlighted include inflation, domestic and global political upheaval, and the impact of artificial intelligence on labor strategies.

[READ MORE](#)

### **Harnessing tech to elevate third-party bribery, corruption risk management programs**

Tech-enablement, when done correctly, can help improve the effectiveness of a risk management program. This *Deloitte CFO Journal* article in the *WSJ*, discusses how by leveraging technology, organizations can achieve better risk identification and classification for their third parties, enhanced collaboration across the third-party lifecycle, cost savings, and potentially improved compliance, ultimately leading to a more robust and resilient risk management program.

[READ MORE](#)

### **Audit committee communications**

In this PCAOB *Audit Focus*, the staff discusses common deficiencies in communications from auditors to audit committees that have been identified in recent inspections. Common pitfalls or omissions include the management representation letter, overall audit strategy, misstatements, control matters, critical accounting policies, among others. The publication also includes good practices to help avoid these issues.

[READ MORE](#)

### **New California law tweaks climate requirements, but not deadlines**

California Governor Gavin Newsom has signed into law amendments to two California climate laws, but the deadline for compliance remains unchanged. This article from *Deloitte Risk & Compliance Journal*, published in the *WSJ*, discusses that among the amendments under SB-219 is a provision allowing reporting entities to provide consolidated emission disclosures to comply with SB-253 at the parent-company level.

[READ MORE](#)

## **Upcoming virtual experiences**

### **Quarterly accounting roundup: Q4 2024 update on important developments\***

December 17, 1:00 p.m. ET

[REGISTER](#)

## GenAI: What boards need to know

February 19, 11:00 a.m. ET

[REGISTER](#)

**\*May be eligible for CPE**

View the full list of upcoming [Dbriefs](#).

## Other Deloitte resources

Subscribe to the *Audit Committee Brief* and other publications

*On the Radar*: Emerging issues and trends related to accounting and financial reporting

*Audit Committee Brief*: Archived editions

Deloitte US 2023 Audit Quality Report

Audit Committee webpage

*On the Audit Committee's Agenda*

Center for Board Effectiveness

*The Wall Street Journal*, *Risk & Compliance Journal*

Daily Executive Briefing



This publication contains general information only and Deloitte is not, by means of this publication, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This publication is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. Deloitte shall not be responsible for any loss sustained by any person who relies on this publication.

### About the Center for Board Effectiveness

The [Center for Board Effectiveness](#) helps directors deliver value to the organizations they serve through a portfolio of high-quality, innovative experiences throughout their tenure as board members. Whether an individual is aspiring to board participation or a veteran of many board experiences, the center's programs enable them to contribute effectively and provide focus in the areas of governance and audit, strategy, risk, innovation, compensation, and succession. For more information, contact us at [centerforboardeffectiveness@deloitte.com](mailto:centerforboardeffectiveness@deloitte.com).

### About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. In the United States, Deloitte refers to one or more of the US member firms of DTTL, their related entities that operate using the "Deloitte" name in the United States and their respective affiliates. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more about our global network of member firms.

Copyright © 2024 Deloitte Development LLC. All rights reserved.