

**METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS
777 NORTH CAPITOL STREET, NE
WASHINGTON, DC 20002-4239**

RESOLUTION ESTABLISHING CRITERIA FOR EXTERNAL AUDIT FIRM SELECTION AND RETENTION

WHEREAS, the by-laws of the Metropolitan Washington Council of Governments (COG) require the books of the corporation to be audited annually by a certified public accountant; and

WHEREAS, the Rules of Procedures of the Board of Directors delegate oversight of the auditor selection process to the Audit Committee; and

WHEREAS, assurance of quality audit services requires initial and ongoing assessment and evaluation of the auditor's professional qualifications and performance;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS THAT:

The following procedure will be followed with respect to selection and retention of audit firms:

1. By January 31 of each calendar year, the Audit Committee will make a recommendation to the Board of Directors whether to retain the current audit firm or seek new proposals for audit services, and provide justification to support the Committee's recommendation.
 - The Audit Committee's recommendation will be supported by an annual assessment of the current auditor's independence, planning and conduct during the audit process, impartiality to management, effective communication with the Audit Committee, recent peer review report, industry knowledge and experience, competitive pricing of services, and other factors affecting COG's best interests.
 - Selection of a new audit firm or partner will be based on the auditor's experience with organizations similar to COG, independence, ability to provide timely services, client references, peer review reports, and competitive pricing.
2. At least every five (5) years, the Audit Committee will solicit informal quotes or formal proposals from at least three (3) qualified audit firms (which may include the current audit firm) to assess competitive pricing of audit services.

I HEREBY CERTIFY THAT the foregoing resolution was approved and adopted by the COG Board of Directors at its regular meeting held on April 8, 2015.

***Monica Beyrouti
Clerk to the Board of Directors***