

***Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures
Sample Engagement Agreement***

[CPA Firm Letterhead]

[Date]

To the Board of Directors
XYZ Entity
City, State

Dear Entity Head:

We are pleased to confirm our understanding of the terms of our engagement and the nature and limitations of the services we are to provide for the XYZ Entity (Entity).

We will apply the agreed-upon procedures listed in the attached schedule that were specified and agreed to by the Entity and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs), for the fiscal period ended June 30, 2017. The Entity is responsible for those C/C areas identified in the SAUPs.

Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The sufficiency of the procedures performed or to be performed is solely the responsibility of the Entity and the LLA, and we will require an acknowledgment in writing of that responsibility. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which the agreed-upon procedures report has been requested or for any other purpose.

Because the agreed-upon procedures listed in the attached schedule do not constitute an examination or review, we will not express an opinion or conclusion on C/C areas. In addition, we have no obligation to perform any procedures beyond those listed in the attached schedule.

We will issue a written report upon completion of our engagement that lists the procedures performed and our findings. Our report will be addressed to the Entity and the LLA and will be published on the LLA's website as a public document. If, for any reason, we are unable to complete any of the procedures, we will describe in our report any restrictions on the performance of the procedures, or not issue a report and withdraw from this engagement. This report is intended solely for the use of the Entity and the LLA and should not be used by anyone other than these specified parties. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations (unless otherwise specified in the agreed-upon procedures); however, we will communicate to you any known and suspected fraud and noncompliance with laws or regulations affecting the C/C areas that come to our attention. In addition, if, in connection with this engagement, matters come to our attention that contradict the results of the procedures performed in C/C areas, we will disclose those matters in our report. Such disclosures, if any, may not necessarily include all matters that might have come to our attention had we performed additional procedures or an examination or review.

You are responsible for the C/C areas and ensuring that these areas are administered in accordance with the best practice criteria presented in the SAUPs; and for selecting the criteria and procedures and determining that such criteria and procedures are appropriate for your purposes. You are responsible for, and agree to provide us with, written assertions about the C/C areas. In addition you are responsible for providing us with (1) access to all information of which you are aware that is relevant to the performance of the agreed-upon procedures on the subject matter, (2) additional information that we may request for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons within the Entity from whom we determine it necessary to obtain evidence relating to performing those procedures.

[Name of Engagement Partner] is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

We plan to begin our procedures on approximately Example Date and, unless unforeseeable problems are encountered, the engagement should be completed by Example Date. At the conclusion of our engagement, we will require certain written representations in the form of a representation letter from management that, among other things, will confirm management's responsibility for the C/C areas and administration of those areas in accordance with the best practice criteria in the SAUPs.

We estimate that our fees for these services will not exceed \$XXXX. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

It is understood that our working papers are confidential information. However, we will make those working papers available to any successor auditor, LLA, or recognized external quality control review organizations as requested. We will retain the working papers for five years.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, or the procedures need to be modified, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we

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will require that they acknowledge in writing their agreement with the procedures performed or to be performed and their responsibility for the sufficiency of procedures.

Respectfully submitted,

[CPA Firm Name]

APPROVED BY:

By: _____

Title: _____

Date: _____

Phone No. _____