LOUISIANA LEGISLATIVE AUDITOR REQUIREMENTS FOR NON-ROUTINE ENGAGEMENT AGREEEMENTS

***The Louisiana Legislative Auditor requires CPA firms to include the following provisions in the engagement agreement for every*** [***non-routine engagement***](https://www.lla.la.gov/lagag.nsf/bdcb79123307274c8625813000748590/f8b3b913e152f3bf862580d4005eec12?OpenDocument) ***performed for a local government agency or quasi-public organization (local auditee). The CPA should add these provisions to the appropriate illustrative engagement agreement from the practice aid (PPC, CCH, etc.) used by their firm. For the purposes of this document, all references to “our,” “we” or “us” means “the CPA firm performing the engagement.” After the engagement is signed by the local auditee, the CPA should seek Legislative Auditor approval by submitting the*** [***engagement approval request form***](https://www.lla.la.gov/cpas/engagement-approval-forms/index.shtml)***, located on the Legislative Auditor’s website.***

* Our engagement will be performed in accordance with the *Louisiana Governmental Audit Guide*, authorized by Louisiana Revised Statute 24:513 A. (5) (a) (i), which is published jointly by the Louisiana Legislative Auditor and the Society of Louisiana Certified Public Accountants.
* Our engagement will be performed in accordance with *Government Auditing Standards, Standards for Accounting and Review Services, Standards for Attestation Engagements*, and/or *US Office of Management and Budget publication Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, as applicable.
* It is understood that our audit/engagement documentation is confidential information. However, we will make our audit/engagement documentation available to the Legislative Auditor, any successor auditor/accountant, or any organization of the Louisiana Board of Certified Public Accountants authorized to perform quality assurance reviews. We will follow the Louisiana Legislative Auditor’s policy regarding confidentiality of audit/engagement documentation found in the *Louisiana Governmental Audit Guide* when giving access to audit/engagement documentation to any parties other than those previously named individuals and organizations. Should we become aware of any illegal acts, we will make our engagement documentation available to the local district attorney and/or any other state or federal enforcement or regulatory agency without liability.
* We will retain the audit/engagement documentation for a minimum of five years.
* Immediately upon completion of the engagement, we will submit a copy of the report to the local auditee and the Legislative Auditor.
* Either we or the local auditee will submit a copy of the report to the following persons and agencies, as appropriate:
* Each member of the local auditee’s governing board
* Each state and federal grantor agency providing financial assistance to the local auditee
* The local auditee’s federal and state cognizant or oversight agencies.
* Subsequent to the issuance of the report, should it be necessary to revise and reissue the report, we will notify the Legislative Auditor immediately. We will distribute such revised and reissued report in the same manner and to the same individuals and organizations as the original report.
* (To be included in the compensation portion of the engagement agreement):
* Our fee for this engagement, which we estimate, will range from $\_\_\_\_\_to $\_\_\_\_\_, including out-of-pocket expenses. This fee estimate is based on the assumption that you will provide assistance, 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. Any amendments to the not-to-exceed amount of the fees will be in writing and signed by both our firm and your agency.
* The engagement agreement includes the estimated completion date.
* We will notify the local auditee of any breach of the security of our firm’s computer system, defined in R.S. 51:3073 as the compromise of the security, confidentiality, or integrity of computerized data that results in, or there is a reasonable likelihood to result in, the unauthorized acquisition of and access to the local auditee’s personal information, as defined in R.S. 51:3073.
* We will notify the Legislative Auditor, in writing, and within ten days of our firm’s constructive knowledge of the occurrence of these events::
* Any fraud, abuse or illegal acts that are detected during our engagement
* Any client imposed scope restrictions, to include failure to provide the appropriate books and records in a timely manner; or denial of access to appropriate books and records
* Any significant disagreements with the local auditee
* Any change in the scope of the engagement, to include all reasons for such change
* Any decision to withdraw from or cancel the engagement, to include all substantive reasons for the withdrawal or cancellation
* Our decision to disclaim the auditor’s opinion or to render an adverse opinion on the financial statements (if applicable).
* Any breach of the security of the CPA firm’s computer system, defined in R.S 51:3073 as the compromise of the security, confidentiality, or integrity of computerized data that results in, or there is a reasonable likelihood to result in, the unauthorized acquisition of and access to the local auditee’s personal information, as defined in R.S 51:3073
* The agreed-upon procedures to be performed are included as an attachment to the engagement agreement (if applicable).