



Louisiana Legislative Auditor *Audit Risk Alert*

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AUDIT RISK ALERT # 16

DATE: May 22, 2019 (updated October 14, 2021)

SUBJECT: New statewide agreed-upon procedures – **FOR YOUR IMMEDIATE ATTENTION** (see [Audit Risk Alert No. 26](#) for 2020 procedures update; also see [Audit Risk Alert Nos. 28, 29](#) and [37](#))

The Louisiana Legislative Auditor (LLA) has required that an agreed-upon procedures report accompany all local government and quasi-public agency (local auditee) audit reports for the last three years; beginning with the fiscal year ended June 30, 2017.

The related statewide agreed-upon procedures have recently been updated, and the updated document has been added to the *Louisiana Governmental Audit Guide* (available on LLA's website).

Key points about the revised statewide agreed-upon procedures are –

1. The modifier “Year 3” has been added to the file name for the most recent version of the [Statewide Agreed-Upon Procedures](#) document. The Year 1 and Year 2 statewide agreed-upon procedures documents may also be found in the *Louisiana Governmental Audit Guide*.
2. The information previously found in the Frequently Asked Questions document has been incorporated into the Year 3 Statewide Agreed-Upon Procedures document; and the Frequently Asked Questions document has been removed from the *Louisiana Governmental Audit Guide*.
3. No changes have been made to the example statewide agreed-upon procedures sample engagement letter, representation letter, or report for Year 3. These documents may be found in the [practice aids section](#) of the *Louisiana Governmental Audit Guide*.
4. **Either the Year 2 or Year 3 statewide agreed-upon procedures may be used for audits with fiscal years ending on or before May 31, 2019.** The sample engagement letter, representation letter, and report documents for Year 3 may also be used for Year 2 agreed-upon procedure engagements.
5. **The Year 3 statewide agreed-upon procedures must be used for audits with fiscal years ending on or after June 30, 2019.**

6. The Year 1 statewide agreed-upon procedures have been left on the website for archival purposes; but should not be used for audits with fiscal years ending on or after June 30, 2018.

LLA has had questions about the difference between the statewide agreed-upon procedures report that accompanies audit reports, and the agreed-upon procedures report that is required to be submitted with the review reports of local auditees that receive between \$200,000 and \$499,999 in public funds.

Key points about the review/attestation report are as follows –

1. An agreed-upon procedures report is required to be submitted with review reports of local auditees.
2. There are different procedures and reports for the review/attestation engagements of local governments, quasi-public organizations, and charter schools. Related sample documents for review/attestation engagements and reports may be found in the [practice aids section](#) of the *Louisiana Governmental Audit Guide*.
3. The agreed-upon procedures report that is submitted with review reports is different than the statewide agreed-upon procedures report that accompanies audit reports.
4. **The agreed-upon procedures report that is submitted with review reports cannot be substituted for the statewide agreed-upon procedures report that accompanies audit reports.**

If you have any questions about statewide agreed-upon procedures engagements, please call Sandra Whitehead at swhitehead@lla.la.gov or (225) 339-3811 or Diane Allison, Director of Local Government Services, at dallison@lla.la.gov or (225) 339-3812.