

[Date]

[Plan Administrator Name]

[Plan Name]

[Company Address]

[City, State, Zip]

Dear [Plan Administrator Name],

This letter confirms our understanding of the terms and objectives of our engagement to audit the financial statements of [Plan Name] (the Plan) as of and for the year ended [Year End Date].

## **1. Scope of Audit Services**

We will audit the financial statements of the Plan, which comprise the statement of net assets available for benefits and the related statement of changes in net assets available for benefits, and the related notes to the financial statements. Our audit will also include the supplemental schedules required by the Employee Retirement Income Security Act of 1974 (ERISA).

## **2. Auditor Responsibilities**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report. Reasonable assurance is a high level of assurance but is not absolute assurance.

## **3. Management Responsibilities**

Management is responsible for:

- The preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
- Designing, implementing, and maintaining internal controls relevant to the Plan.
- Providing us with access to all participants, records, and financial data.
- Ensuring the Plan remains in compliance with ERISA and Internal Revenue Code requirements.

## **4. Initial Audit Procedures**

As this is our first year auditing the Plan, our procedures will include an evaluation of opening balances and a review of the predecessor auditor's working papers, if applicable. We will require your authorization for the predecessor auditor to respond fully to our inquiries.

## **5. ERISA Section 103(a)(3)(C) Election**

[Select one option below]

**Option A:** You have instructed us to perform an ERISA Section 103(a)(3)(C) audit. We will not perform auditing procedures on the certified investment information provided by [Name of Institution], a qualified institution.

**Option B:** You have requested a non-Section 103(a)(3)(C) audit. We will perform full audit procedures on all plan assets.

## 6. Fees and Timing

Our fees for these services are estimated to be \$[Amount]. This fee is based on the assumption that records will be provided in an orderly fashion. We expect to begin our fieldwork on [Date] and issue our report by [Date].

## 7. Acceptance

Please sign and return the enclosed copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit.

Sincerely,

[Partner Name]  
[Audit Firm Name]

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### Acknowledged and Accepted:

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_