

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

Dear [Contact Person Name],

This letter confirms our understanding of the terms and objectives of our engagement to perform agreed-upon procedures regarding the cash disbursement processes of [Company Name] for the period of [Date] to [Date].

Scope of Work

The procedures we will perform are as follows:

- Inspect a sample of [Number] cash disbursement transactions for appropriate management approval.
- Trace selected disbursements to supporting documentation, such as invoices, purchase orders, and receiving reports.
- Verify that the mathematical accuracy of the selected invoices has been checked.
- Confirm that the selected disbursements were recorded in the correct general ledger account and accounting period.
- Compare the payee name and amount on the canceled check to the corresponding entry in the disbursement journal.

Nature of Engagement

This agreed-upon procedures engagement will be conducted in accordance with attestation standards established by the [Relevant Accounting Body, e.g., AICPA]. The sufficiency of these procedures is solely the responsibility of [Company Name]. Consequently, we make no representation regarding the sufficiency of the procedures described above.

Because the agreed-upon procedures do not constitute an examination or a review, we will not express an opinion or a conclusion. If we were to perform additional procedures, other matters might come to our attention that would be reported to you.

Reporting

Our report will list the procedures performed and our findings. The report is intended solely for the information and use of the management of [Company Name] and is not intended to be, and should not be, used by anyone other than these specified parties.

Client Responsibilities

Management is responsible for the design, implementation, and maintenance of internal controls relating to cash disbursements and for providing all necessary documentation and access to personnel required to complete these procedures.

Fees

Our fees for these services will be based on the time required by the individuals assigned to the engagement plus direct out-of-pocket expenses. We estimate the total fee to be approximately \$[Amount].

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

Sincerely,

[Your Firm Name]

[Your Name/Title]

Accepted by [Company Name]:

Signature: _____

Title: _____

Date: _____