**To:** {Name of Auditee(s)} **TBD**

**Cc:** {People with direct relationship to auditee(s)}

**Date:** MM, DD, YYY

**Subject:** {Title of Audit}

As outlined in the 2018 Audit Plan and agreed with Management, Internal Audit will perform a financial/operational/IT audit of the {state the title of the audit} in {insert timing of audit}.

Internal Audit will assess risks and validate whether appropriate controls have been implemented and are operating effectively. The preliminary scope will include the following audit areas:

* Inventory
* Accounts Receivable
* Accounts Payable

The testing period covered under the audit will be \_\_\_\_\_\_\_\_\_\_\_ {state the testing period}.

In preparation for the audit, please provide any specific risk areas or issues of concern pertaining to the above audit areas that you would like us to address by {insert date} and we will incorporate them into the audit as appropriate.

The Name of Client audit team will consist of \_\_\_\_\_\_\_\_\_\_\_\_\_\_ {name, title} and \_\_name of\_\_\_consultants {indicate consultants if applicable}.

|  |  |  |  |
| --- | --- | --- | --- |
| **Audit Phases** | **Key Activities** | **Timeline** | **Auditee Responsibility** |
| Planning & Scoping | * Identify relevant process owners/key contacts. * Gather data and reports from relevant systems (SAP, PeopleSoft, etc.). * Finalize audit scope. * Provide management initial documentation request list. | MM/DD/YYYY – MM/DD/YYYY | * Availability of process owners to participate in data gathering. |
| **Onsite Fieldwork** | * Conduct kickoff meeting with auditee(s) on the 1st day of fieldwork. * Perform audit testing / process understanding interviews. * Discuss preliminary audit observations with auditee(s) on the last day of fieldwork. | MM/DD/YYYY – MM/DD/YYYY | * Availability of process owners to provide supporting documentation, explanations, and verification. |
| Wrap-up & Reporting | * Wrap-up testwork and documentation. * Validate observations with auditee and issue draft Audit Report. * Issue Final Audit Report. | MM/DD/YYYY – MM/DD/YYYY | * Availability of process owners for limited follow-up questions. * Availability to review Draft and Final Audit Report. |

Should you have any questions and/or require clarification regarding this matter, please feel free to call me at XXX-XXX-XXXX. Thank you in advance for your cooperation and assistance. We look forward to working with you and your team in a collaborative effort.

\_\_\_\_\_\_\_name\_\_\_\_\_\_\_ Director, Internal Audit