

ACC 645 Milestone One Guidelines and Rubric

Overview: For the final project, you will work through components of a case study in which you assume the role of a lead auditor at [Willis & Adams](#). Your firm has been approached by [EarthWear Clothiers](#) to perform an audit. In your role as lead auditor, you will evaluate internal and external factors to determine client engagement, develop an audit plan, determine recommendations for improving internal controls, and communicate the audit opinion. For this milestone, you will write a report on client engagement.

Prompt: Evaluate the corporate structure of EarthWear Clothiers and [their annual report](#) and then summarize your findings. Evaluate the following for your auditing firm, Willis & Adams: independence, knowledge of client industry, and staffing capabilities. Then, assuming that your firm has decided to move forward as a result of your evaluation of internal and external factors, you will explain why it would be appropriate for your firm to accept EarthWear Clothiers’ audit request, using examples to support your response.

Specifically, the following **critical elements** must be addressed:

- I. **Client Engagement:** The external auditing team has been approached by a client to do their yearly audit. You are responsible for evaluating the factors associated with the organization and the external auditing team to determine why it would be appropriate to move forward with the client request.
 - A. Evaluate the **corporate structure** and annual report of the organization, and summarize your findings.
 - B. Evaluate the following information related to the external **auditing firm**, and summarize your findings:
 - 1. Independence
 - 2. Knowledge of client industry
 - 3. Staffing capabilities
 - C. Assume your firm has decided to move forward. Referring to your evaluation of **internal and external factors**, explain why it would be appropriate for the external auditing team to accept the client audit request, using examples to support your response.

Rubric

Guidelines for Submission: Your report on client engagement must be 2 to 3 pages in length (plus a cover page and references), with double spacing, 12-point Times New Roman font, and one-inch margins. You should use current APA style guidelines for your citations and reference list.

Critical Elements	Proficient (100%)	Needs Improvement (70%)	Not Evident (0%)	Value
Client Engagement: Corporate Structure	Evaluates the corporate structure and annual report of the organization and summarizes findings	Evaluates the corporate structure and annual report of the organization and summarizes findings, but summary is cursory or contains inaccuracies	Does not evaluate the corporate structure and annual report of the organization	30

Client Engagement: Auditing Firm	Evaluates the independence, knowledge of client industry, and staffing capabilities of the external auditing firm, and summarizes findings	Evaluates the independence, knowledge of client industry, and staffing capabilities of the external auditing firm, and summarizes findings, but summary is cursory, contains inaccuracies, or is missing information related to the external auditing firm	Does not evaluate the independence, knowledge of client industry, and staffing capabilities of the external auditing firm	30
Client Engagement: Internal and External Factors	Explains why it would be appropriate, based on the evaluation of internal and external factors, for the external auditing team to accept the client audit request, using examples to support this response	Explains why it would be appropriate, based on the evaluation of internal and external factors, for the external auditing team to accept the client audit request, using examples to support this response, but explanation is cursory or contains inaccuracies, or examples are inappropriate	Does not explain why it would be appropriate for the external auditing team to accept the client audit request	30
Articulation of Response	Submission has no major errors related to citations, grammar, spelling, syntax, or organization	Submission has major errors related to citations, grammar, spelling, syntax, or organization that negatively impact readability and articulation of main ideas	Submission has critical errors related to citations, grammar, spelling, syntax, or organization that prevent understanding of ideas	10
Total				100%