

THE BETTER ENGAGEMENT LETTER CHECKLIST



An Accountant's Guide to Crafting
a Rock-Solid Engagement Letter

Written by Carl Coe

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In this resource, we will look at two elements of a rock solid engagement letter

The Content

1

The 6 key elements every letter should contain.

The Workflow

2

A better way to manage the engagement letter process and kickstart an amazing client experience.

Accounting Engagement Letters and Why They Matter

An “engagement letter” is the point in the sales process when the rubber truly hits the road.

When done well, an engagement letter allows you and your client to become aligned on any terms, objectives, services, and stipulations before starting to work together.

A good engagement letter can...

- Set the tone for your future working relationship
- Be templated and automated to save your team time
- Address potential issues before they become actual issues
- Prevent awkward conversations
- Protect you legally
- Lay the groundwork for client success

But there's a problem with most engagement letters (and it's probably not what you think)...

The Problem with Engagement Letters

Most accounting firms are doing engagement letters the wrong way.

There are **2** reasons:

1. The **CONTENT** doesn't address everything it should - which leads to misunderstandings, confusion, and frustration
2. The engagement letter **WORKFLOW** is mostly manual and inefficient - which creates unnecessary work and slows the process down

*So first things first,
let's outline the ideal
engagement letter
content* →

Your Ideal Engagement Letter Checklist: The Right Content

The 6 Sections Every Engagement Letter Needs

Note: This is not an exhaustive list of everything you could put in your engagement letter. However, using this checklist as a guide will help ensure you don't leave out anything important!

■ Section 1 - The Introduction

- Personalize Your Introduction So It Communicates Excitement and Humanizes Your Company
- Bullet Point Your Services
- Give Important Caveats
- Give Clear Next Steps - Help them know exactly what they should do as a result of this letter

■ Section 2 - Detailed Service Descriptions

- Outline What Your Services Include
- Outline Anything Your Services Do NOT Include
- Outline Your Process for Fulfilling Your Services
- Describe What You Will Need From The Client

■ Section 3 - Responsibilities

- Describe What They Are Responsible for Providing
- Describe What Happens If They Do Not Fulfill Their Responsibilities
- Provide a List of Additional Vendors (if Relevant)

■ Section 4 - Fees

- Explain Your Fee Structure (Include Fees for Additional Work that May Fall Outside of Scope)

■ Section 5 - Terms

- Payment Terms
- Accepted Payment Methods
- Cancellation Policy
- Estimated Start Date
- Contact Information

■ Section 6 - Signature

- Request Signature and Date in Agreement With Terms

Your Ideal Engagement Letter Checklist: The Right Workflow

How to Streamline & Automate Your Engagement Letter Process

Your engagement letter has the potential to be much more than just an agreement between you and a client. ***It can be the trigger that initiates an amazing client onboarding experience.*** Here's how...

When your engagement letter is integrated into a practice management software (with the right features), it can kickstart the automation of many time-consuming tasks.

Comparing Engagement Letter Workflows

	The Manual Way	The Efficient Way <i>Using Practice Management Software</i>
STEP 1	Create Word Doc with Merge Fields	Select Preferred Engagement Letter Template
STEP 2	Send PDF to Client	Apply Template to All Relevant Clients with a Few Clicks
STEP 3	a. Client Prints → Signs → Scans → Returns OR b. Downloads → Digitally Signs PDF → Saves PDF → Returns	Send to Multiple Clients at Once
STEP 4	Create New Client Folder & Save PDF	Client Signs Electronically and is Immediately Redirected to Make a Payment
STEP 5	Once Received, Send Invoice	Automatically Publish and Store Documents in Relevant Client Folders

Comparing Engagement Letter Workflows

	The Manual Way	The Efficient Way <i>Using Practice Management Software</i>
STEP 6	Send Email Requesting Payment	Automatically Send Link for Client to Upload Files
STEP 7	Client Sends Check or Digital Payment <i>(Possibly Days or Weeks Later)</i>	Start Working
STEP 8	Once Received, Continue Client Onboarding Process	
STEP 9	Repeat for each customer	

Ready to Automate Your Engagement Letter Workflow?

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carl.coe@mangopractice.com | +1 877.520.1525