CBP Audit Preparation Checklist

Customs Audit Readiness & Document Gathering Guide

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Purpose

Use this checklist to prepare for a CBP audit and ensure you have all required documentation organized and ready. Complete this checklist as soon as you receive an audit notification (CF-28 or CF-29).

Section 1: Initial Response

Audit Notice Review

- ☐ CF-28 (Focused Assessment) or CF-29 (Quick Response) received and reviewed
- ☐ Audit scope identified (specific entries, time period, product categories)
- ☐ Response deadline noted (typically 30 days for CF-28, 10 days for CF-29)
- ☐ Audit contact person assigned at CBP noted
- ☐ Internal audit response team assembled

Immediate Actions

- ☐ Notify customs broker immediately
- ☐ Notify legal counsel (if high-risk audit)
- ☐ Create internal audit response timeline
- ☐ Identify key employees who handled transactions under review
- ☐ Put document retention hold on all relevant records

Audit Type: ☐ CF-28 (Focused Assessment) ☐ CF-29 (Quick Response) **Response Deadline:** ____________________________

Section 2: Core Entry Documents

For Each Entry Under Review

- ☐ Entry summaries (CF-7501) with all line items
- ☐ Commercial invoices (original from supplier)
- ☐ Packing lists showing complete shipment contents
- ☐ Bills of Lading (ocean) or Air Waybills
- ☐ Customs bonds (continuous or single-entry)
- ☐ Broker power of attorney (if applicable)
- ☐ Import security filings (ISF 10+2 for ocean)
- ☐ Entry payment records (ACH, wire transfer confirmations)

Classification Documentation

- ☐ Product descriptions and specifications
- ☐ Technical data sheets and material composition
- ☐ HTS classification rulings (binding rulings from CBP)

- [ ] Product samples or photos (if requested)
- [ ] Country of origin determinations
- [ ] Tariff engineering analysis (if applicable)

Valuation Documentation

- [ ] Purchase orders to suppliers
- [ ] Price lists and quotations
- [ ] Payment records (invoices, bank statements)
- [ ] Related party transaction documentation
- [ ] Assists or royalty agreements (if applicable)
- [ ] Transportation and insurance invoices
- [ ] Selling expenses documentation

Section 3: Compliance Program Documentation

Record-Keeping Practices

- [ ] Import compliance manual or SOPs
- [ ] Employee training records (customs compliance)
- [ ] Audit trail for classification decisions
- [ ] Internal review procedures documented
- [ ] Reasonable care standard documentation

Broker Relationship

- [ ] Broker agreements and contracts
- [ ] Communication records with broker
- [ ] Documented instructions to broker
- [ ] Broker performance reviews
- [ ] Reconciliation of broker entries vs. records

Automation & Systems

- [ ] Import management software documentation
- [ ] Data validation procedures
- [ ] System change logs and controls
- [ ] Backup and recovery procedures

Section 4: Supplier & Manufacturing Documentation

Supplier Information

- [ ] Supplier contracts and agreements
- [ ] Supplier questionnaires (manufacturing location, capabilities)
- [ ] Factory inspection reports (if conducted)
- [ ] Supplier financial records (for related parties)
- [ ] Communication records with suppliers
- [ ] Certificate of origin (if applicable)

Country of Origin

- [ ] Manufacturing process documentation
- [ ] Bill of materials showing component origins
- [ ] Substantial transformation analysis
- [ ] NAFTA/USMCA certificates (if claiming preference)
- [ ] Free trade agreement documentation

Special Programs

- [ ] Foreign Trade Zone records (if applicable)
- [ ] Temporary importation bonds (TIB)
- [ ] ATA Carnet documentation
- [ ] CTPAT certification and records

Section 5: Product-Specific Requirements

Regulated Products (Check all that apply)

- [ ] FDA prior notice confirmations (food, drugs, cosmetics)
- [ ] USDA permits (meat, poultry, plants)
- [ ] EPA compliance (pesticides, chemicals)
- [ ] DOT/PHMSA (hazardous materials)
- [ ] FCC (telecommunications equipment)
- [ ] CPSC (consumer product safety)
- [ ] TTB (alcohol, tobacco)
- [ ] Other Partner Government Agency (PGA) documentation

Intellectual Property

- [ ] Trademark/copyright licensing agreements
- [ ] IP owner authorization letters
- [ ] Parallel import documentation
- [ ] Gray market goods analysis

Restricted/Prohibited Goods

- [ ] UFLPA compliance documentation (if applicable)
- [ ] Trade embargo compliance (OFAC)
- [ ] Antidumping/countervailing duty documentation
- [ ] Section 232/301 tariff exemption requests

Section 6: Financial Records

Accounting Documentation

- [ ] General ledger entries for imports
- [ ] Accounts payable records
- [ ] Inventory records showing receipt of goods

- ☐ Cost accounting records
- ☐ Transfer pricing documentation (related parties)
- ☐ Foreign exchange records

Payment Trail

- ☐ Wire transfer confirmations
- ☐ Letters of credit
- ☐ Payment schedules and terms
- ☐ Rebate or discount agreements
- ☐ Post-importation adjustments

Reconciliation

- ☐ Import entries reconciled to financial records
- ☐ Duty payments reconciled to entries
- ☐ Variance analysis (if discrepancies found)

Section 7: Prior Disclosure Review

Self-Assessment

- ☐ Internal audit of entries under review completed
- ☐ Errors or discrepancies identified and documented
- ☐ Potential underpayment calculated
- ☐ Legal counsel consulted on material errors
- ☐ Prior disclosure filing prepared (if necessary)

Have potential violations been identified? ☐ Yes ☐ No

If yes, prior disclosure recommended? ☐ Yes ☐ No

Section 8: Response Preparation

Document Organization

- ☐ All documents organized by entry number
- ☐ Index or table of contents prepared
- ☐ Documents scanned/digitized (if needed)
- ☐ Redactions made for confidential information
- ☐ Cover letter drafted explaining response
- ☐ Response reviewed by legal counsel

Narrative Explanation

- ☐ Business model and import operations described
- ☐ Classification methodology explained
- ☐ Valuation methodology explained
- ☐ Reasonable care practices documented
- ☐ Corrective actions (if issues found) outlined

Quality Control

- ☐ All documents complete and legible
- ☐ All requested information addressed
- ☐ Calculations verified and accurate
- ☐ Cross-references between documents checked
- ☐ Timeline of response delivery confirmed

Section 9: Submission & Follow-Up

Final Submission

- ☐ Response package assembled per CBP instructions
- ☐ Submitted via required method (email, portal, mail)
- ☐ Delivery confirmation obtained
- ☐ Copy retained for internal records
- ☐ CBP contact person notified of submission

Submission Date: ___________________________ **Confirmation Number:** ___________________________

Post-Submission

- ☐ Calendar reminder set for CBP follow-up (30 days)
- ☐ Plan for potential CBP questions prepared
- ☐ Additional document requests anticipated
- ☐ Internal review of findings scheduled
- ☐ Corrective action plan drafted (if needed)

Section 10: Lessons Learned

Process Improvement

- ☐ Document gaps identified
- ☐ System weaknesses noted
- ☐ Training needs assessed
- ☐ Policy updates required (list below)

Actions to Prevent Future Issues:

1. ____
2. ____
3. ____

Internal Review Date: ___________________________

Section 11: Certification

Audit Response Coordinator: ___________________________ **Date Checklist Completed:** ___________________________

Readiness Status

- ☐ ✅ **READY** - All documents gathered and organized, response prepared
- ☐ ⚠️ **IN PROGRESS** - Working on document collection, gaps identified
- ☐ ❌ **NOT READY** - Significant gaps, require extension or legal assistance

CBP Audit Status: ☐ Pending Response ☐ Submitted ☐ Under Review ☐ Closed

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Additional Resources

- **Full CBP Audit Guide:** strixsmart.com/resources/blog/cbp-audit-alert-2025
- **CBP Focused Assessment Info:** cbp.gov/trade/priority-issues/audits
- **Prior Disclosure Guidelines:** 19 CFR 162.74
- **Reasonable Care Guidelines:** CBP Informed Compliance Publication

Need Expert Assistance?

Strix Smart provides CBP audit response services, prior disclosure filing, and ongoing compliance program management.

Contact us: 📞 (406) 922-6600 📧 sales@strixsmart.com 🌐 strixsmart.com/solutions/compliance

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This checklist is provided for informational purposes and does not constitute legal advice. For specific audit situations, consult with a licensed customs attorney or trade compliance professional.

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