

2013 NONTRADITIONAL ENGAGEMENTS OVERVIEW FOR KNOWLEDGE COACH USERS

PURPOSE

This document is published for the purpose of communicating, to users of the toolset, updates and enhancements included in the current version. This document is not, and should not be used as an audit program to update the audit documentation of an engagement started in a previous version of this product

WORKPAPER UPDATES AND ROLL FORWARD NOTES

General Roll Forward Note:

You must be the current editor of all Knowledge Coach workpapers to update to the latest content, and you must be the current editor upon opening the updated workpaper for the first time to ensure you see the updated workpaper.

The 2013 edition of *Knowledge-Based Nontraditional Engagements* is current through SSAE-17 and GAGAS 2011 Revision, and includes the following updates:

Knowledge-Based Audit Documents (KBAs): Updated throughout to reflect changes in attestation standards and GAGAS, where applicable; and update or add new practice points addressing relevant issues.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
KBA-101 Information for Analytical Procedures					
Delete	DELETED FROM TOOLSET		N	N/A	This workpaper will remain in your binder until you delete it. It will not be updated.
KBA-101 Findings Summary and Report Conclusions Worksheet: Examination-Level and Review-Level Engagements					
Modify	Renumbered from KBA-102 to KBA-101.			N/A	
Modify	Modified instructions to better describe the use of the document.	Instructions		N/A	
KBA-102 Findings Summary: Agreed-Upon Procedures Engagement					
Modify	Renumbered from KBA-102 to KBA-101.			N/A	
KBA-103 Evaluating and Communicating Internal Control Deficiencies and Noncompliance					
New	Renumbered from KBA-104 to KBA-103.		N	N/A	
KBA-201 Attestation Client/Engagement Acceptance Form					
New	12. The engagement partner assigned to this engagement has the appropriate competence, capabilities, and authority; and the related responsibilities have been clearly defined	Procedure Steps	Y	SQCS-8	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	and communicated to the engagement partner.				
KBA-301 Determination of Materiality, Performance Materiality, Tolerable Misstatement, and Thresholds for Trivial Amounts					
Modify	Updated to include performance materiality consistent with the clarified auditing standards.	Procedure Steps	N	N/A	
KBA-501 Risk Assessment and Attest Program: Examination-Level Engagement					
New	Revised definitions for inherent risk; and the following inherent risk factors were added for consideration: Entity and Environment Risk Factors (e.g., a weak control environment or a high-risk industry); External Factors (e.g., technological developments that might make a particular product or operational process obsolete); Susceptibility to Theft or Fraud (e.g., fraudulent financial reporting or misappropriation/theft); Degree of Judgment Required and Extent of Estimates Involved (e.g., subject matter consists of items derived from estimates that are subject to significant measurement uncertainty or judgment); Competence of Responsible Party Personnel (e.g., the responsible party personnel lack the proper experience and supervision); and Prior Period Misstatements or Deviations (e.g., prior period misstatements or deviations in the subject matter are significant).	Procedure Steps	N	N/A	
Modify	Individual risk assessment documentation tables for inherent risk, control risk, and RMM were combined into a single Risk Assessment Summary table.	Table	N	N/A	Inherent risk assessment and control risk previously addressed in specific tables will be mapped to the combined risk assessment table.
New	Column added to control risk understanding tables to document whether operating effectiveness of controls will be tested.	Table	N	N/A	
New	Additional guidance added to aid user in assessing RMM.	Instructions	N	N/A	
New	New procedures added to operating effectiveness of controls table including: 2. Our tests of operating effectiveness of controls support a control risk assessment of less than maximum. 3. We have considered the level of control reliance	Procedure Steps	N	N/A	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	achieved based on our testing of the operating effectiveness of controls in determining the nature, timing, and extent of substantive procedures to be performed. 4. We have documented our sampling technique at AID-701 and nature, timing, extent, and results of testing 5. If necessary, we have updated our assessment of control risk.				
KBA-902 Engagement Review and Approval Checklist					
New	New tailoring question in AUD-100 for engagement quality reviewer shows/hides procedures and tables in this workpaper.	Tailoring	N	N/A	Publish this workpaper before update so that you can reference data that you have selected to keep. Review and answer the engagement quality review question in AUD-100 to determine what is applicable for this workpaper.

Attestation Programs (ATTs) - Updated throughout to reflect changes in attestation standards and GAGAS, where applicable; and update or add new practice points addressing relevant issues.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
ATT-100 Tailoring Question Workpaper					
New	New tailoring questions have been added.	Tailoring	N	N/A	Review and answer. All of these new tailoring questions will impact other workpapers.
ATT-101 Overall Attestation Program: Examination-Level Engagement					
Modify	Combined existing steps into the following: 7. Establish and document an understanding with the responsible party and/or client regarding the scope and nature of services to be performed, including the following: a. The objectives of the engagement; b. The responsible party's and/or client's responsibilities; c. The practitioner's responsibilities; and d. Limitations of the engagement.	Procedure Steps	N	N/A	
ATT-102 Overall Attestation Program: Review-Level Engagement					
Modify	Combined existing steps into the following: 7. Establish and document an understanding with the responsible party and/or client regarding the scope and	Procedure Steps	N	N/A	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	nature of services to be performed, including the following: a. The objectives of the engagement; b. The responsible party's and/or client's responsibilities; c. The practitioner's responsibilities; and d. Limitations of the engagement.				
ATT-103 Overall Attestation Program: Agreed-Upon Procedures Engagement					
Modify	Combined existing steps into the following: 7. Obtain acknowledgment agreement from each of the specified parties on the sufficiency of the procedures for their purposes (or otherwise meet these objectives through alternative procedures) and document: a. The procedures to be performed; b. Any materiality limits for reporting purposes; and c. The criteria to be used in the determination of findings.	Procedure Steps	N	N/A	
New	8. Obtain acknowledgement from the specified parties that the procedures are sufficient for their purposes and that they are responsible for the sufficiency of the procedures for their purposes.	Procedure Steps	N	N/A	
Modify	Combined existing steps into the following: 10. Establish and document an understanding with the responsible party and/or client regarding the scope and nature of services to be performed, including the following: a. The objectives of the engagement; b. The responsible party's and/or client's responsibilities; c. The practitioner's responsibilities; d. Limitations of the engagement; and e. Report distribution restrictions.	Procedure Steps	N	N/A	
ATT-104 Overall Attestation Program: Examination-Level Engagement on Prospective Financial Statements					
Modify	Combined existing steps into the following: 7. Establish and document an understanding with the responsible party and/or client regarding the scope and nature of services to be performed, including the following: a. The objectives of the engagement; b. The responsible party's and/or client's responsibilities; c. The practitioner's responsibilities; and d. Limitations of the engagement.	Procedure Steps	N	N/A	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
ATT-106 Overall Attestation Program: Agreed-Upon Procedures Engagement on Prospective Financial Statements					
Modify	Combined existing steps into the following: 14. Establish and document an understanding with the responsible party and/or client regarding the scope and nature of services to be performed, including the following: a. The objectives of the engagement; b. The responsible party's and/or client's responsibilities; c. The practitioner's responsibilities; d. Limitations of the engagement; and e. Report distribution restrictions.	Procedure Steps	N	N/A	
ATT-107 Overall Attestation Program: Examination-Level Engagement on Pro Forma Financial Information					
Modify	ATT-107- Previously included both examination-level and review-level pro forma engagements. With this update, ATT-107 will apply only to examination-level engagements—all review-level steps have been removed to a new program specific to review-level pro forma engagements.			N/A	
Modify	The following substep was converted to a Practice Point: The level of assurance to be given by the practitioner on the pro forma financial information, as of a particular date or for a particular period, is limited to the level of assurance provided on the historical financial statements (or, in the case of a business combination, the lowest level of assurance provided on the underlying historical financial statements of any significant constituent part of the combined entity). For example, if the underlying historical financial statements of each constituent part of the combined entity have been audited at year-end and reviewed at an interim date, the practitioner may perform an examination or a review of the pro forma financial information at year-end but is limited to performing a review of the pro forma financial information at the interim date.	Practice Point	N	N/A	
Modify	Combined existing steps into the following: 8. Establish and document an understanding with the responsible party and/or client regarding the scope and	Procedure Steps	N	N/A	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	nature of services to be performed, including the following: a. The objectives of the engagement; b. The responsible party's and/or client's responsibilities; c. The practitioner's responsibilities; and d. Limitations of the engagement.				
ATT-108 Overall Attestation Program: Review-Level Engagement on Pro Forma Financial Information					
New	New program for conducting review-level pro forma engagements.	New Workpaper	N	N/A	
ATT-109 Overall Attestation Program: Engagement to Report on the Effectiveness of an Entity's Internal Control over Financial Reporting or Management's Written Assertion (Integrated with an Audit of Financial Statements)					
Modify	Combined existing steps into the following: 7. Establish and document an understanding with the responsible party and/or client regarding the scope and nature of services to be performed, including the following: a. The objectives of the engagement; b. The responsible party's and/or client's responsibilities; c. The practitioner's responsibilities; and d. Limitations of the engagement.	Procedure Steps	N	N/A	
ATT-110 Overall Attestation Program: Examination-Level Engagement on an Entity's Compliance with Specified Requirements or on the Responsible Party's Written Assertion					
Modify	Combined existing steps into the following: 7. Establish and document an understanding with the responsible party and/or client regarding the scope and nature of services to be performed, including the following: a. The objectives of the engagement; b. The responsible party's and/or client's responsibilities; c. The practitioner's responsibilities; and d. Limitations of the engagement.	Procedure Steps	N	N/A	
Delete	Deleted the following step: 25. Identify financial and nonfinancial information that may be useful for performing analytical procedures.	Procedure Steps	N	N/A	
ATT-111 Overall Attestation Program: Agreed-Upon Procedures Engagement on an Entity's Compliance with Specified Requirements or on the Responsible Party's Written Assertion					
Modify	Combined existing steps into the following: 8. Obtain agreement from each of the specified parties (or	Procedure Steps	N	N/A	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	otherwise meet these objectives through alternative procedures) and document: a. The procedures to be performed; b. Any materiality limits for reporting purposes; and c. The criteria to be used in the determination of findings.				
Modify	Combined existing steps into the following: 11. Establish and document an understanding with the responsible party and/or client regarding the scope and nature of services to be performed, including the following: a. The objectives of the engagement; b. The responsible party's and/or client's responsibilities; c. The practitioner's responsibilities; d. Limitations of the engagement; and e. Report distribution restrictions	Procedure Steps	N	N/A	
New	12. For agreed-upon procedures engagements conducted in accordance with GAGAS, establish and document an understanding with the entity regarding report distribution responsibilities.	Procedure Steps	Y	GAGAS 2011 Revision	
ATT-112 Overall Attestation Program: Examination-Level Engagement on Management's Discussion and Analysis					
Modify	Combined existing steps into the following: 10. Establish and document an understanding with the responsible party and/or client regarding the scope and nature of services to be performed, including the following: a. The objectives of the engagement; b. The responsible party's and/or client's responsibilities; c. The practitioner's responsibilities; and d. Limitations of the engagement.	Procedure Steps	N	N/A	
Delete	Removed all GAGAS content from program.	Procedure Steps	N	N/A	
ATT-113 Overall Attestation Program: Review-Level Engagement on Management's Discussion and Analysis					
Modify	Combined existing steps into the following: 10. Establish and document an understanding with the responsible party and/or client regarding the scope and nature of services to be performed, including the following: a. The objectives of the engagement;	Procedure Steps	N	N/A	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	b. The responsible party's and/or client's responsibilities; c. The practitioner's responsibilities; and d. Limitations of the engagement.				
Delete	Removed all GAGAS content from program.	Procedure Steps	N	N/A	
ATT-114 Overall Attestation Program: Examination-Level Engagement to Report on Controls at a Service Organization (SOC 1)					
Modify	Combined existing steps into the following: 9. Establish and document an understanding with the responsible party and/or client regarding the scope and nature of services to be performed, including the following: a. The objectives of the engagement; b. The responsible party's and/or client's responsibilities; c. The practitioner's responsibilities; and d. Limitations of the engagement.	Procedure Steps	N	N/A	
ATT-115 Overall Attestation Program: Engagement to Report on Controls at a Service Organization Relevant to Security, Availability, Processing Integrity, Confidentiality, and Privacy (SOC 2)					
New	New Practice Point added: In a SOC 2 engagement, the service organization may request that the practitioner report on additional subject matter as well as the subject matter covered by the applicable trust services criteria (e.g., security requirements under the Health Insurance Portability and Accountability Act of 1996, compliance with performance criteria established in a service-level agreement). In order for a service auditor to report on such additional subject matter, the service organization must provide the following additional items: • An appropriate supplemental description of the subject matter; • A description of the criteria used to measure and present the subject matter; • If the criteria are related to controls, a description of the controls intended to meet the control-related criteria; and • An assertion by management regarding the additional subject matter.	Practice point	N	N/A	This procedure step will be tailored into the audit program, if applicable.
New	Substep added relate to auditor knowledge: g. Knowledge of and experience with any additional subject	Procedure Steps	N	N/A	

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	matter to be included in the scope of the engagement.				
Modify	<p>Combined existing steps into the following:</p> <p>9. Establish and document an understanding with the responsible party and/or client regarding the scope and nature of services to be performed, including the following:</p> <ul style="list-style-type: none"> a. The objectives of the engagement; b. The responsible party's and/or client's responsibilities; c. The practitioner's responsibilities; and d. Limitations of the engagement. 	Procedure Steps	N	N/A	
New	<p>New steps added related to cloud computing service organizations including:</p> <p>13. For engagements on cloud computing service organizations (CCSOs), consider the potential effect on the engagement of:</p> <ul style="list-style-type: none"> a. All potential processing locations and whether each location is included in the scope of the engagement for the entire reporting period or for only a portion of the reporting period. b. For locations or infrastructure that are used only for a portion of the reporting period, whether it is possible to obtain historical audit logs, access lists, or configuration files once processing has migrated back to the original location or to a new location or infrastructure. <p>Practice Point: If the CCSO has a secondary location but no data is processed there, this location may be out of scope at the beginning and end of the examination period and may not appear to require inclusion in the scope of the examination. However, if data is moved to the secondary location during the period covered by the engagement, then the secondary location will need to be included in the scope of the engagement. The service auditor would need to determine whether the information from the secondary location will be available for testing during the planned testing period and may need to alter the timing of the testing.</p> <p>14. For engagements on cloud computing service organizations (CCSOs), communicate to the CCSO the nature of the evidence and audit trails required to obtain</p>	Procedure Steps	N	N/A	This procedure step will be tailored into the audit program, if applicable.

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	<p>sufficient appropriate attest evidence.</p> <p>25. For engagements on cloud computing service organizations (CCSOs), gain and document an understanding of the following, as applicable:</p> <ul style="list-style-type: none"> a. The service model (Software as a Service (SaaS), Platform as a Service (PaaS), Infrastructure as a Service (IaaS)). b. The cloud deployment model (public, private, hybrid, community). c. The architectures involved. d. The CCSO's process for providing services, including aspects of the process that are applicable to all user entities and aspects that may be customized for certain user entities. e. The information life cycle, the system, and their boundaries. f. The nature and scope of the services provided and the CCSO's contractual obligations to user entities, including: <ul style="list-style-type: none"> (1) Customer commitments. (2) Roles and responsibilities. (3) Service support requirements. (4) Quantitative and qualitative metrics for measuring the service signed off on by the stakeholders. g. How data is obtained, retained, and destroyed including how the handling and disposal of the data may be subject to various laws, regulations, or contract terms. h. Legal and regulatory requirements and the terms that the CCSO establishes on how it will address such requirements, including the CCSO's mechanism for recognizing the applicable rules and complying with them. i. The particular kinds of data being acquired, processed, stored, and destroyed, and how such data is affected by legal, regulatory, and contractual requirements including any user entities or contractual agreements that have their own specific data definitions or protected classes of data. j. How data is defined, accessed, used, and managed, including how it can be leveraged, moved, or manipulated. k. The degree to which virtualization has been implemented, including how the virtual system components are managed and the interfaces between the components and management software. 				

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	<p>l. The location of data throughout the user entity's process, including where the data is acquired, stored and processed.</p> <p>m. The CCSO's system operational and security logging (for example, outages, initial program loading, system patching, and operation management activities), and the retention of system logs.</p> <p>n. In an IaaS service model, how the virtual server was originally provisioned and how the CCSO maintains the virtual server throughout its existence.</p> <p>o. The controls used to obtain logical segregation, such as controls that separate physical resources in nonvirtualized environments.</p> <p>p. Controls over data stored on media devices and the handling of physical media devices.</p> <p>q. Controls that address how the CCSO will comply with specific limitations on the geographical data location required by legal obligations of a user entity.</p> <p>r. Where processing may occur, under what conditions various processing locations might be used, the process for migrating processing to the new environments, contractual relationships with subservice organizations, and any commitments to user entities that may be affected by changes to these items.</p> <p>s. Data encryption processes, including whether data encryption is performed by the user entity, the CCSO, or both.</p> <p>t. The rights and obligations of user entities and which rights and obligations have been imposed upon or ceded to the CCSO, including controls over who has the right to access and use the data.</p> <p>u. Secondary use issues including whether contracts with user entities establish that the CCSO has a right to use the data in its possession for testing or other purposes.</p> <p>v. Ownership of the data, including how user entities can secure and retrieve data at the end of the relationship with the CCSO.</p> <p>w. The nature and effect of complementary user entity controls, and who is responsible for such controls.</p> <p>x. All of the subservice organizations involved with respect to the principle the practitioner is reporting on, including how the CCSO determines whether controls at a subservice</p>				

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	<p>organization are adequate, and the CCSO's process for determining whether a vendor is considered a subservice organization.</p> <p>y. How a disaster or breach in service at a subservice organization would affect the user entity.</p> <p>z. Controls over system performance to provide reasonable assurance that service levels are achieved during periods of increased—or decreased—network traffic or system processing.</p> <p>aa. When application standing data or master file data is the responsibility of the CCSO (e.g., sales tax tables), how the input, loading, and update of that data is performed.</p>				
New	Practice Point: Management's description should include all of the criteria above even though not all criteria will be applicable in every SOC 2 engagement (for example, the subservice organization criteria would not be applicable to an engagement where the service organization does not use a subservice organization). When there are criteria that are not applicable, management should still include all of the criteria in the description and indicate, either in the description or a note to the description, which criteria, if any, are not applicable and why.	Practice Point	N	N/A	
New	<p>28. If the scope of the engagement includes additional subject matter, determine that management has provided:</p> <p>a. An appropriate supplemental description of the additional subject matter.</p> <p>b. A description of the criteria used to measure and present the additional subject matter.</p> <p>c. If the criteria are related to controls, a description of the controls intended to meet the control-related criteria.</p> <p>d. A separate assertion by management regarding the additional subject matter.</p>	Procedure Steps	N	N/A	
New	<p>29. For engagements on cloud computing service organizations (CCSOs), determine that management's description of the service organization's system includes:</p> <p>a. The operating model.</p> <p>b. The use of internal versus external resources.</p> <p>c. The geographic location of the data centers.</p> <p>d. Limits to bandwidth, processing power, response time, system and data backup, and system recovery capabilities.</p>	Procedure Steps	N	N/A	This procedure step will be tailored into the audit program, if applicable.

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	<p>e. In a multi-tenancy cloud environment, controls that cover access and management processes to prevent customers or a third party from gaining unauthorized access, either inadvertently or intentionally, to another user entity's data, particularly when the description addresses the confidentiality or privacy principle.</p> <p>f. Transparency required by user entities.</p> <p>g. Whether the description provides sufficient information about the use of encryption and its supporting processes, including whether it addresses controls related to the creation, storage, and use of the associated encryption keys for data at rest and in transport.</p>				
New	44. For engagements on cloud computing service organizations (CCSOs) develop a testing approach for virtual processing environments, particularly nonpersistent (ephemeral) environments.	Procedure Steps	N	N/A	This procedure step will be tailored into the audit program, if applicable.
New	<p>47. For engagements on cloud computing service organizations (CCSOs), determine that the controls are suitably designed and when applicable, operating effectively, to provide reasonable assurance that:</p> <p>a. Access is appropriately restricted.</p> <p>b. The encryption key management requirements are met, including controls that protect encryption keys during key generation, storage, use, change, and destruction.</p> <p>c. Any secondary use of information is consistent with the commitments in its contracts, service-level agreements, and when applicable, relevant statements of privacy practices.</p> <p>d. Standardized processes for the creation, configuration, management, and decommissioning of virtual environments and effective change management are being followed.</p>	Procedure Steps	N	N/A	This procedure step will be tailored into the audit program, if applicable.
New	88. If the scope of the engagement includes additional subject matter, perform appropriate procedures (such as those in procedures above) related to the additional subject matter.	Procedure Steps	N	N/A	
New	Practice Point: If the scope of the engagement includes reporting on additional subject matter, the service auditor's description of the scope of the work and related opinion on the subject matter should be presented in separate paragraphs of the service auditor's report. If the service	Practice Point	N	N/A	

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	<p>auditor intends to include additional tests performed and detailed results of those tests on the additional subject matter, this should be included in a separate attachment to the report.</p> <p>Practice Point: The work performed on a SOC 2 engagement may enable a service auditor report on a SOC 3 engagement in many cases. An unqualified SOC 3 opinion requires that all of the applicable trust services criteria be met, so circumstances where the carve out method is used, or complementary user controls are significant to meeting the applicable trust services criteria would preclude the service auditor from issuing a clean SOC 3 report based on the work performed in a SOC 2 engagement because the scope of the engagement must include all of the controls needed to meet the applicable criteria.</p>				
ATT-301 Understanding the Entity and Its Environment: Complex Entities					
Delete	References to pre-clarity audit standards removed.	Procedure Steps	N	N/A	
ATT-301N Understanding the Entity and Its Environment: Noncomplex Entities					
Delete	References to pre-clarity audit standards removed.	Procedure Steps	N	N/A	
Delete	Appendix moved to RES document.	Appendix	N	N/A	
ATT-401 Understanding Entity-Level Controls: Complex Entities					
Delete	References to pre-clarity audit standards removed.	Procedure Steps	N	N/A	
ATT-401N Understanding Entity-Level Controls: Noncomplex Entities					
Delete	References to pre-clarity audit standards removed.	Procedure Steps	N	N/A	
ATT-402 Understanding General Controls for Information Technology					
Delete	References to pre-clarity audit standards removed.	Procedure Steps	N	N/A	
ATT-403 Understanding Activity-Level Controls: Revenue, Accounts Receivable, and Cash Receipts					
New	Created Word version; modified workflow to better	Table -	N	N/A	Choose to use either the word or excel versions. The excel

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	facilitate documenting the processes and controls identified, including combining tables and removing individual narrative boxes.	other than procedures			version has not been updated for the 2012 version.
Delete	Deleted the Excel version; all example controls and what could go wrong have been moved to RES-009.			N/A	
ATT -404 Understanding Activity-Level Controls: Inventory					
New	Created Word version; modified workflow to better facilitate documenting the processes and controls identified, including combining tables and removing individual narrative boxes.	Table - other than procedures	N	N/A	Choose to use either the word or excel versions. The excel version has not been updated for the 2012 version.
Delete	Deleted the Excel version; all example controls and what could go wrong have been moved to RES-010.			N/A	
ATT -405 Understanding Activity-Level Controls: Property, Plant, and Equipment					
New	Created Word version; modified workflow to better facilitate documenting the processes and controls identified, including combining tables and removing individual narrative boxes.	Table - other than procedures	N	N/A	Choose to use either the word or excel versions. The excel version has not been updated for the 2012 version.
New	New activity-level controls document for property, plant, and equipment.			N/A	
Delete	Deleted the Excel version; all example controls and what could go wrong have been moved to RES-011.			N/A	
ATT-406 Understanding Activity-Level Controls: Other Assets					
New	Created Word version; modified workflow to better facilitate documenting the processes and controls identified, including combining tables and removing individual narrative boxes.	Table - other than procedures	N	N/A	Choose to use either the word or excel versions. The excel version has not been updated for the 2012 version.
Delete	Deleted the Excel version; all example controls and what could go wrong have been moved to RES-012.			N/A	
ATT -407 Understanding Activity-Level Controls: Accounts Payable and Disbursements					
New	Created Word version; modified workflow to better facilitate documenting the processes and controls identified, including combining tables and removing individual narrative boxes.	Table - other than procedures	N	N/A	Choose to use either the word or excel versions. The excel version has not been updated for the 2012 version.

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Delete	Deleted the Excel version; all example controls and what could go wrong have been moved to RES-013.			N/A	
ATT -408 Understanding Activity-Level Controls: Payroll					
New	Created Word version; modified workflow to better facilitate documenting the processes and controls identified, including combining tables and removing individual narrative boxes.	Table - other than procedures	N	N/A	Choose to use either the word or excel versions. The excel version has not been updated for the 2012 version.
Delete	Deleted the Excel version; all example controls and what could go wrong have been moved to RES-014.			N/A	
ATT -409 Understanding Activity-Level Controls: Treasury					
New	Created Word version; modified workflow to better facilitate documenting the processes and controls identified, including combining tables and removing individual narrative boxes.	Table - other than procedures	N	N/A	Choose to use either the word or excel versions. The excel version has not been updated for the 2012 version.
Delete	Deleted the Excel version; all example controls and what could go wrong have been moved to RES-015.			N/A	
ATT -410 Understanding Activity-Level Controls: Income Taxes					
New	Created Word version; modified workflow to better facilitate documenting the processes and controls identified, including combining tables and removing individual narrative boxes.	Table - other than procedures	N	N/A	Choose to use either the word or excel versions. The excel version has not been updated for the 2012 version.
Delete	Deleted the Excel version; all example controls and what could go wrong have been moved to RES-016.			N/A	
ATT -411 Understanding Activity-Level Controls: Financial Reporting and Closing Process					
New	Created Word version; modified workflow to better facilitate documenting the processes and controls identified, including combining tables and removing individual narrative boxes.	Table - other than procedures	N	N/A	Choose to use either the word or excel versions. The excel version has not been updated for the 2012 version.
Delete	Deleted the Excel version; all example controls and what could go wrong have been moved to RES-017.			N/A	
ATT-901 Attestation Program: Evaluating the Subsequent Discovery of Facts Existing at the Date of the Practitioner's Report					
Delete	References to pre-clarity audit standards removed.	Procedure	N	N/A	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
		Steps			

Auditor's Reports (RPTs) - Updated to provide new illustrative example reports for defense contractor's statements attestation engagements and SOC 2 engagements.

- **NEW RPT-908 Attest Engagement: Unmodified Opinion on Defense Contractor's Statement—Criteria Attached to the Presentation (General Use).**
- **NEW RPT-909 Attest Engagement: Unmodified Opinion on Defense Contractor's Statement—Negative Responses- Criteria *Not* Attached to the Presentation (Restricted Use).**
- **NEW RPT-910 Attest Engagement: Unmodified Opinion on Defense Contractor's Statement with Disclaimer of Opinion on Some Responses—Criteria Attached to the Presentation (General Use).**
- **NEW RPT-912 Attest Engagement: Qualified Opinion on Defense Contractor's Statement—Exception on Certain Responses—Criteria Attached to the Presentation (General Use).**
- **NEW RPT-913 Attest Engagement: Qualified Opinion on Defense Contractor's Statement—Exception on Certain Responses and Negative Responses—Criteria Attached to the Presentation (General Use).**
- **NEW RPT-919 Attest Engagement: Unmodified Review Report on Defense Contractor's Statement—Criteria *Not* Attached to the Presentation (Restricted Use).**
- **NEW RPT-981 Service Auditor's Engagement (SOC 2): Unmodified Opinion on a Description of a Service Organization's System and the Suitability of the Design and Operating Effectiveness of Controls Relevant to Security, Availability, Processing Integrity, and Confidentiality (Type 2), and on a Description of Supplemental Subject Matter and Controls Relevant to the Supplemental Subject Matter.**
- **NEW RPT-984 Service Auditor's Engagement (SOC 2): Qualified Opinion on a Description of a Service Organization's System and the Suitability of the Design and Operating Effectiveness of Controls Relevant to Security, Availability, Processing Integrity, and Confidentiality (Type 2), and on a Description of Supplemental Subject Matter and Controls Relevant to the Supplemental Subject Matter.**
- **NEW RPT-991 Example Type 2 Report on Service Organization's Description of Its System and on the Suitability of the Design and Operating Effectiveness of Its Controls Relevant to Security.**

Correspondence Documents (CORs)

- **2013 Knowledge-Based Nontraditional Engagements** illustrative example correspondence documents have been updated throughout to include new practice points and examples.

Practice Aids (AIDs)

- **2013 Knowledge-Based Nontraditional Engagements** practice aids have been updated throughout to include new considerations and examples, and to provide report preparation checklists for each type of engagement to be used when practitioners elect to not use the provided illustrative example reports.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
AID-201 Nonattest Services Independence Checklist					
New	Practice Point describing new ethics interpretations added.	Practice	Y	AICPA	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
		Point		Interpretation 101-3	
Delete	Deleted procedures for complying with GAGAS 2007 Revision.	Procedure Steps	Y	GAGAS 2011 Revision	
New	Added the following substeps under the heading "General Activities That Would Impair the Practitioner's Independence": a. Determining or changing journal entries, account codes or classifications for transactions, or other accounting records without obtaining management's approval. b. Authorizing, executing, or consummating a transaction, or otherwise having or exercising authority on behalf of the client c. Preparing or making changes to source documents, in any form, evidencing the occurrence of a transaction.	Procedure Steps	Y	GAGAS 2011 Revision	
New	Added an Appendix related to the GAGAS Conceptual Framework for practitioner independence.	Appendix	Y	GAGAS 2011 Revision	
AID-301 Analytical Procedures: Fluctuation and Ratio Analysis					
New	Added ratios for Pension and OPEB Funded status.	Other	N	N/A	
AID-302 Inquiries of Management and Others within the Entity about the Risks of Fraud					
New	Added the following to the "inquiries of management" section: 5. Do you communicate with employees and others within the entity your views on business practices and ethical behavior? Describe how management communicates to those charged with governance on how the entity's internal control serves to prevent, deter, or detect material misstatements due to fraud (Obtain a copy of relevant communications):	Procedure Steps	N	N/A	
New	Added new findings table and related instructions.	Table	N	N/A	
AID-601 Considering Reliance on the Work of Internal Auditors or Other Responsible Party Personnel					
New	Added column with header "Professional Memberships" to education and professional experience of key internal	Table	N	N/A	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	auditors table.				
AID-602 Testing and Evaluating the Work of Internal Auditors or Other Responsible Party Personnel					
New	<p>Added the following substeps to considerations in the section "using work already performed by internal auditors":</p> <p>1. b. Internal audit programs used were adequate and the evidence obtained was adequate to draw reasonable conclusions.</p> <p>f. Any exceptions or unusual matters were properly resolved</p> <p>2.c. Observing procedures performed by the internal auditors</p>	Procedure Steps	N	N/A	
AID-701 Sampling Worksheet for Tests of Controls					
	Updated for new sampling guide.	Other	N	N/A	
AID-702 Designing Tests of Controls					
	Updated for new sampling guide.	Other	N	N/A	
AID-801 Sampling Worksheet for Substantive Tests					
	Updated for new sampling guide.	Other	N	N/A	
AID-903 Report Preparation Checklist: Examination-Level Attestation Engagement (General)					
New	New Practice Aid - Designed to help determine whether the practitioner's report on an examination-level attestation engagement contains the elements required by professional standards when not using provided example reports.	New Workpaper	N	N/A	
AID-904 Report Preparation Checklist: Review-Level Attestation Engagement (General)					
New	New Practice Aid - Designed to help determine whether the practitioner's report on a review-level attestation engagement contains the elements required by professional standards when not using provided example reports.	New Workpaper	N	N/A	
AID-905 Report Preparation Checklist: Agreed-Upon Procedures Attestation Engagement					
New	New Practice Aid - Designed to help determine whether the practitioner's report on an agreed-upon procedures	New Workpaper	N	N/A	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	attestation engagement contains the elements required by professional standards when not using provided example reports.				
AID-906 Report Preparation Checklist: Examination-Level Attestation Engagement on Prospective Financial Statements					
New	New Practice Aid - Designed to help determine whether the practitioner's report on an examination-level attestation engagement on prospective financial statements contains the elements required by professional standards when not using provided example reports.	New Workpaper	N	N/A	
AID-907 Report Preparation Checklist: Compilation Attestation Engagement on Prospective Financial Statements					
New	New Practice Aid - Designed to help determine whether the practitioner's report on a compilation attestation engagement on prospective financial statements contains the elements required by professional standards when not using provided example reports.	New Workpaper	N	N/A	
AID-908 Report Preparation Checklist: Examination-Level Attestation Engagement on Pro Forma Financial Information					
New	New Practice Aid - Designed to help determine whether the practitioner's report on an examination-level attestation engagement on pro forma financial information contains the elements required by professional standards when not using provided example reports.	New Workpaper	N	N/A	
AID-909 Report Preparation Checklist: Review-Level Attestation Engagement on Pro Forma Financial Information					
New	New Practice Aid - Designed to help the practitioner determine whether the practitioner's report on a review-level attestation engagement on pro forma financial information contains the elements required by professional standards when not using provided example reports.	New Workpaper	N	N/A	
AID-910 Report Preparation Checklist: Examination-Level Attestation Engagement (Integrated Internal Control Examination and Financial Statement Audit)					
New	New Practice Aid - Designed to help determine whether the practitioner's report on examination-level attestation engagement integrated internal control engagement	New Workpaper	N	N/A	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	contains the elements required by professional standards when not using provided example reports.				
AID-911 Report Preparation Checklist: Examination-Level Compliance Attestation Engagement					
New	New Practice Aid - Designed to help determine whether the practitioner's report on examination-level compliance attestation engagement contains the elements required by professional standards when not using provided example reports.	New Workpaper	N	N/A	
AID-912 Report Preparation Checklist: Examination-Level Attestation Engagement on MD&A					
New	New Practice Aid - Designed to help determine whether the practitioner's report on examination-level attestation engagement on management's discussion and analysis contains the elements required by professional standards when not using provided example reports.	New Workpaper	N	N/A	
AID-913 Report Preparation Checklist: Review-Level Attestation Engagement on MD&A					
New	New Practice Aid - Designed to help the practitioner determine whether the practitioner's report on a review-level attestation engagement on management's discussion and analysis contains the elements required by professional standards when not using provided example reports.	New Workpaper	N	N/A	
AID-914 Report Preparation Checklist: Engagement to Report on a Service Organization's Controls (SOC 1)					
New	New Practice Aid - Designed to help determine whether the practitioner's report on a SOC 1 attestation engagement contains the elements required by professional standards when not using provided example reports.	New Workpaper	N	N/A	
AID-915 Report Preparation Checklist: Engagement to Report on a Service Organization's Controls (SOC 2)					
New	New Practice Aid - Designed to help determine whether the practitioner's report on a SOC 2 attestation engagement contains the elements required by professional standards when not using provided example reports.	New Workpaper	N	N/A	

Resource Documents (RESs)

- **RES-001 Knowledge-Based Nontraditional Engagements Methodology Overview** has been updated and enhanced to reflect changes in standards and to better communicate the KBA methodology.
- **RES-003 Applicability of Attestation Engagement Standards** Deleted from the toolset; remaining RESs renumbered.
- **NEW RES-018 Example Factors to Be Considered When Understanding the Entity and Its Environment** New resource document providing guidance and example factors to be considered when understanding the entity and its environment.
- **NEW RES-019 Determination of Materiality, Performance Materiality, Tolerable Misstatement, and Thresholds for Trivial Amounts** New resource document providing best practice guidance for calculating materiality, performance materiality, tolerable misstatement, and thresholds for trivial amounts.
- **RES-QCA Meeting Quality Control Standards Using Knowledge-Based Nontraditional Engagements Tools** Updated to include the requirements of Statement on Quality Control Standards No. 8 (SQCS-8).
- **NEW RES-KCO 2013 Nontraditional Engagements Title Overview for Knowledge Coach Users** has been added as a reference document for the workpaper update information, along with list of related workpapers for the title.

In addition, forms and practice aids throughout have been updated to include new examples and tips and, where applicable, to take into account:

New literature, standards, and developments, reflected in the following current audit and accounting guidance:

AICPA Statement on Quality Control Standards No. 8, *A Firm's System of Quality Control (Redrafted)*

AICPA Guide, *Reporting on Controls at a Service Organization: Relevant to Security, Availability, Processing Integrity, Confidentiality, or Privacy (SOC 2)*

RELATED, FOUNDATIONS AND ASSOCIATION WORKPAPERS FOR THIS TITLE

Related workpapers are Knowledge Coach Word workpapers where information flows in or out of tables within the workpaper. Some of these related workpapers are Foundation workpapers or associated workpapers.

Foundation Workpapers include most of the Communication Hub workpapers, which are central to the Knowledge-Based Audit Methodology used by the Knowledge Coach titles. Associated workpapers require you to associate them with custom values, such as audit areas, specialists, service organizations, and other items. Workpapers require an association when you need to have more than one instance of a particular Knowledge Coach workpaper in your binder for each type of item to which the workpaper is related. Making this association allows Knowledge Coach information to flow properly between workpapers.

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>
KBA s	KNOWLEDGE-BASED ATTESTATION DOCUMENTS	
KBA-101	Findings Summary and Report Conclusions Worksheet: Examination-Level and Review-Level Engagements	X
KBA-102	Findings Summary: Agreed-Upon Procedures Engagement	X
KBA-103	Evaluating and Communicating Internal Control Deficiencies and Noncompliance	X
KBA-201	Attestation Client/Engagement Acceptance Form	
KBA-501	Risk Assessment and Attest Program: Examination-Level Engagement	X
KBA-502	Attest Program: Review-Level Engagement	X
KBA-901	Engagement Review and Approval Checklist	
KBA-902	Attestation Engagement Documentation Checklist	
ATT s	ATTESTATION PROGRAMS	
ATT-100	Tailoring Question Workpaper	X

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>
ATT-101	Overall Attestation Program: Examination-Level Engagement	
ATT-102	Overall Attestation Program: Review-Level Engagement	
ATT-103	Overall Attestation Program: Agreed-Upon Procedures Engagement	
ATT-104	Overall Attestation Program: Examination-Level Engagement on Prospective Financial Statements	
ATT-105	Overall Attestation Program: Compilation Engagement on Prospective Financial Statements	
ATT-106	Overall Attestation Program: Agreed-Upon Procedures Engagement on Prospective Financial Statements	
ATT-107	Overall Attestation Program: Examination-Level Engagement on Pro Forma Financial Information	
ATT-108	Overall Attestation Program: Review-Level Engagement on Pro Forma Financial Information	
ATT-109	Overall Attestation Program: Engagement to Report on the Effectiveness of an Entity's Internal Control over Financial Reporting or Management's Written Assertion (Integrated with an Audit of Financial Statements)	
ATT-110	Overall Attestation Program: Examination-Level Engagement on an Entity's Compliance with Specified Requirements or on the Responsible Party's Written Assertion	
ATT-111	Overall Attestation Program: Agreed-Upon Procedures Engagement on an Entity's Compliance with Specified Requirements or on the Responsible Party's Written Assertion	
ATT-112	Overall Attestation Program: Examination-Level Engagement on Management's Discussion and Analysis	
ATT-113	Overall Attestation Program: Review-Level Engagement on Management's Discussion and Analysis	
ATT-114	Overall Attestation Program: Examination-Level Engagement to Report on Controls at a Service Organization (SOC 1)	
ATT-115	Overall Attestation Program: Engagement to Report on Controls at a Service Organization Relevant to Security, Availability, Processing Integrity, Confidentiality, and Privacy (SOC 2)	

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>
ATT-301	Understanding the Entity and Its Environment: Complex Entities	
ATT-301N	Understanding the Entity and Its Environment: Noncomplex Entities	
ATT-401	Understanding Entity-Level Controls: Complex Entities	
ATT-401N	Understanding Entity-Level Controls: Noncomplex Entities	
ATT-402	Understanding General Controls for Information Technology	
ATT-403	Understanding Activity-Level Controls: Revenue, Accounts Receivable, and Cash Receipts	
ATT-404	Understanding Activity-Level Controls: Inventory	
ATT-405	Understanding Activity-Level Controls: Property, Plant, and Equipment	
ATT-406	Understanding Activity-Level Controls: Other Assets	
ATT-407	Understanding Activity-Level Controls: Accounts Payable and Disbursements	
ATT-408	Understanding Activity-Level Controls: Payroll	
ATT-409	Understanding Activity-Level Controls: Treasury	
ATT-410	Understanding Activity-Level Controls: Income Taxes	
ATT-411	Understanding Activity-Level Controls: Financial Reporting and Closing Process	
CONs	CONSULTING PROGRAMS	

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>
CON-100	Tailoring Question Workpaper	X
CON-101	Overall Engagement Program: Due Diligence Engagement—Buyer’s Assistance	
CON-102	Overall Engagement Program: Due Diligence Engagement—Seller’s Assistance	
CON-103	Findings Summary: Consulting Engagement	X
CON-104	Overall Engagement Program: Risk Assessment Engagement	
CON-106	Overall Engagement Program: PrimePlus Services Engagement	
AIDs	PRACTICE AIDs	
AID-201	Nonattest Services Independence Checklist	
AID-302	Inquiries of Management and Others within the Entity about the Risks of Fraud	
AID-601	Considering Reliance on the Work of Internal Auditors or Other Responsible Party Personnel	
AID-603	Using the Work of a Management’s Specialist	
AID-604	Using the Work of a Practitioner’s Specialist	
AID-702	Designing Tests of Controls	
AID-901	Differences of Professional Opinion	
AID-903	Report Preparation Checklist: Examination-Level Attestation Engagement (General)	

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>
AID-906	Report Preparation Checklist: Examination-Level Attestation Engagement on Prospective Financial Statements	
AID-908	Report Preparation Checklist: Examination-Level Attestation Engagement on Pro Forma Financial Information	
AID-910	Report Preparation Checklist: Examination-Level Attestation Engagement (Integrated Internal Control Examination and Financial Statement Audit)	
AID-911	Report Preparation Checklist: Examination-Level Compliance Attestation Engagement	
AID-914	Report Preparation Checklist: Engagement to Report on a Service Organization's Controls (SOC 1)	
AID-915	Report Preparation Checklist: Engagement to Report on a Service Organization's Controls (SOC 2)	