

2014 Knowledge-Based™ Nontraditional Engagements

Welcome to **2014 Knowledge-Based Nontraditional Engagements**, the latest addition to the *ProSystem fx Knowledge Based Attest* library!

Knowledge-Based Nontraditional Engagements is designed to help the practitioner efficiently and effectively perform nontraditional engagements in accordance with applicable standards issued by the American Institute of Certified Public Accountants (AICPA). The knowledge-based methodology for nontraditional engagements is a risk-based methodology for conducting nontraditional engagements. It emphasizes using knowledge of the entity, subject matter, and suitable criteria to perform procedures and, when applicable, make risk assessments and recommendations in connection with an engagement. Nontraditional engagements are often unique and complex, and require specialized accounting, attestation, and consulting knowledge. Conducting nontraditional engagements requires the exercise of the practitioner's professional judgment. This edition includes specific up-to-date guidance for nontraditional engagements and 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 engagement program to update the documentation of an engagement started in a previous version of this product.

The methodology is presented in terms of its application for attestation and consulting-based engagements including:

- Examination-Level Attestation Engagements;
- Review-Level Attestation Engagements;
- Agreed-Upon Procedures Engagements (General);
- Examination-Level Engagements on Prospective Financial Statements;
- Compilation Engagements on Prospective Financial Statements;
- Agreed-Upon Procedures Engagements on Prospective Financial Statements;
- Examination-Level Engagements on Pro Forma Financial Information;
- Review-Level Engagements on Pro Forma Financial Information;
- Engagements 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);
- Examination-Level Engagements on an Entity's Compliance with Specified Requirements or the Responsible Party's Written Assertion;
- Agreed-Upon Procedures Engagements on an Entity's Compliance with Specified Requirements or the Responsible Party's Written Assertion;
- Examination-Level Engagements on Management's Discussion and Analysis;
- Review-Level Engagements on Management's Discussion and Analysis;
- Engagements to Report on Controls at a Service Organization (SOC 1);
- Engagement to Report on Controls at a Service Organization Relevant to Security, Availability, Processing Integrity, Confidentiality, and Privacy (SOC 2);
- Due Diligence Engagements: Buyer's Assistance;
- Due Diligence Engagements: Seller's Assistance;
- Risk Assessment Engagements; and
- PrimePlus Services Engagements.

The methodology emphasizes the processes through which information or knowledge flows through the engagement process. The tools in this edition have been developed in accordance with authoritative guidance including the Statements on Standards for Attestation Engagements (SSAEs), Statements on Standards for Consulting Services (SSCSs), and related AICPA standards and requirements.

The practice aids and tools in the **2014 Knowledge-Based Nontraditional Engagements** are designed to assist practitioners by:

- Facilitating compliance with professional standards;
- Encouraging more effective engagements through tailored engagement programs and comprehensive practice aids;
- Helping practitioners to focus on the subject matter and suitable criteria, and when applicable respond to identified risks; and
- Enhancing engagement documentation.

Knowledge-Based™ Methodology for Nontraditional Engagements – Allows the results of one set of procedures to become the input for the next. The Knowledge-Based™ Methodology for Nontraditional Engagements includes the following key components:

- An **Overview** that guides practitioners through the methodology;
- **Knowledge-Based Attestation** documents, integral to the overall engagement processes, that contain steps and procedures required by professional standards;
- Customizable **Engagement Programs** that take practitioners through procedures required by professional standards;
- **Practice Aids** to help practitioners complete steps or processes outlined in the overall engagement programs;
- **Practitioner's Reports** that provide a variety of sample practitioner's reports on nontraditional engagements; and
- **Correspondence** documents that provide sample engagement and representation letters to be used to comply with professional standards, SSAE and SSCS requirements, and in other common situations.

Links to Accounting Research Manager (ARM) – If you subscribe to an ARM library that includes nontraditional engagement content, you can now link directly to source material from Resources within Knowledge Tools documents.

Interpretive Guidance is integrated into each Knowledge-Based tools template through the Tips view of each new task pane. Informational features include Practice Points, Examples, Optional Workpapers, and Resources to help practitioners work more effectively and efficiently. We have also added the ability to navigate from Resources within a document or the tip pane directly to CCH's Accounting Research Manager and industry audit guides by simply clicking on the Reference.

IN THIS RELEASE

The 2014 *Knowledge-Based Nontraditional Engagements* tools have been updated to take into account new or pending professional standards and guidance, including the requirements of Government Auditing Standards (GAGAS), 2011 Revision; and references to auditing standards where applicable. The 2014 edition of *Knowledge-Based Nontraditional Engagements* is current through SSAE-17. Users of this content should consider guidance issued subsequent to these items to determine their effect on entities covered by this product.

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

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
KBA-200	New	New workpaper to collect Entity Information and Background. Created to reduce duplicative efforts from KBA-201 and KBA-302.	Text of letter or report	N	N/A
KBA-201	Delete	Removed Part 1, Section I - Background and Basic Information, moved to KBA-200.	Table - other than procedures	N	N/A
KBA-301	Modify	Tolerable misstatement moved to sampling aid	Table - other than procedures	N	N/A

Attestation and Consulting Programs (ATs and CONs): Updated throughout to reflect changes in attestation standards and GAGAS, where applicable; and update or add new practice points addressing relevant issues. Significant changes to the ATs and CONs include:

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
ATT-101	Modify	Moved much of the detailed information from substeps to practice points so that experienced users familiar with this program have the option to save the time spent reading the detail.	Procedure Steps	N	N/A
ATT-101	Modify	Combined steps to read as follows: Perform inquiries of client management and others and perform other procedures as necessary to: a. Identify the responsible party for the subject matter and/or assertion; b. Identify the intended users of the practitioner's report; and c. Obtain a preliminary understanding of the scope of the engagement.	Procedure Steps	N	N/A
ATT-101	Delete	Deleted Step: Determine tolerable misstatement or deviation rate for the engagement.	Procedure Steps	N	N/A
ATT-101	Modify	Combined steps to eliminate duplication- new step reads as follows: Review inherent risk, control risk, and detection risk assessments to determine that the assessed level of attestation risk remains appropriate. Adjust if necessary.	Procedure Steps	N	N/A
ATT-101	Delete	Deleted Step: Identify financial and nonfinancial information that may be useful for performing analytical procedures	Procedure Steps	N	N/A
ATT-101	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a detailed list of information that is needed to perform the engagement, for the client to prepare.	Procedure Steps	N	N/A
ATT-101	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a budget for completion of the engagement.	Procedure Steps	N	N/A
ATT-101	Modify	Modified step to include performance of procedures. Modified steps reads as follows: Design and perform substantive attest procedures to respond to the assessed risks of material misstatement or deviation, providing a clear link between the nature, timing, and extent of attest procedures and the appropriate level of detection risk.	Procedure Steps	N	N/A
ATT-101	Modify	Combined steps. New step reads as follows: Complete the engagement by: a. Documenting unresolved differences of opinion among firm personnel, if any. b. To the extent not already done, documenting consultations with others held to resolve technical or other sensitive matters. c. Resolving all pending matters. d. Ensuring that all reviews have been completed and documented. e. Obtaining all documentation necessary to release the engagement report.	Procedure Steps	N	N/A

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
		f. Finalizing any firm-administrative items, such as budgets or evaluations. g. Performing a file check to ensure all review notes are cleared and attest documentation has been reviewed			
ATT-101	Delete	Deleted the following steps due to the combined step above: Perform and document the various reviews of the attestation engagement work. Document unresolved differences of opinion among firm personnel, if any. To the extent not already done, document consultations with others held to resolve technical or other sensitive matters.	Procedure Steps	N	N/A
ATT-102	Modify	Combined steps to read as follows: Perform inquiries of client management and others and perform other procedures as necessary to: a. Identify the responsible party for the subject matter and/or assertion; b. Identify the intended users of the practitioner's report; and c. Obtain a preliminary understanding of the scope of the engagement.	Procedure Steps	N	N/A
ATT-102	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a detailed list of information that is needed to perform the engagement, for the client to prepare.	Procedure Steps	N	N/A
ATT-102	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a budget for completion of the engagement.	Procedure Steps	N	N/A
ATT-102	Delete	Deleted step: Determine tolerable misstatement or deviation rate for the engagement.	Procedure Steps	N	N/A
ATT-102	Modify	Combined steps to eliminate duplication- new step reads as follows: Design attest procedures to accumulate sufficient evidence to restrict attestation risk to a moderate level. These procedures should generally include: a. Reading the subject matter to determine that it is complete, not misleading, free from obvious errors or mistakes, and free from obvious departures from the stated criteria. b. Inquiries of the responsible party. c. Analytical procedures.	Procedure Steps	N	N/A
ATT-102	Delete	Deleted step: Identify financial and nonfinancial information that may be useful for performing analytical procedures	Procedure Steps	N	N/A
ATT-102	Modify	Combined steps. New step reads as follows: Complete the engagement by: a. Documenting unresolved differences of opinion among firm personnel, if any. b. To the extent not already done, documenting	Procedure Steps	N	N/A

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
		consultations with others held to resolve technical or other sensitive matters. c. Resolving all pending matters. d. Ensuring that all reviews have been completed and documented. e. Obtaining all documentation necessary to release the engagement report. f. Finalizing any firm-administrative items, such as budgets or evaluations. g. Performing a file check to ensure all review notes are cleared and attest documentation has been reviewed			
ATT-102	Delete	Deleted the following steps due to the combined step above: Perform and document the various reviews of the attestation engagement work. Document unresolved differences of opinion among firm personnel, if any. To the extent not already done, document consultations with others held to resolve technical or other sensitive matters.	Procedure Steps	N	N/A
ATT-103	Modify	Combined steps to read as follows: Perform inquiries of client management and others and perform other procedures as necessary to: a. Identify the responsible party for the subject matter and/or assertion; b. Identify the intended users (specified parties) to whom the report will be restricted; and c. Obtain a preliminary understanding of the scope of the engagement.	Procedure Steps	N	N/A
ATT-103	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a detailed list of information that is needed to perform the engagement, for the client to prepare.	Procedure Steps	N	N/A
ATT-103	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a budget for completion of the audit engagement.	Procedure Steps	N	N/A
ATT-103	Modify	Combined steps. New step reads as follows: Complete the engagement by: a. Documenting unresolved differences of opinion among firm personnel, if any. b. To the extent not already done, documenting consultations with others held to resolve technical or other sensitive matters. c. Resolving all pending matters. d. Ensuring that all reviews have been completed and documented. e. Obtaining all documentation necessary to release the engagement report. f. Finalizing any firm-administrative items, such as budgets or evaluations. g. Performing a file check to ensure all review notes are	Procedure Steps	N	N/A

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
		cleared and attest documentation has been reviewed			
ATT-103	Delete	Deleted the following steps due to the combined step above: Perform and document the various reviews of the attestation engagement work. Document unresolved differences of opinion among firm personnel, if any. To the extent not already done, document consultations with others held to resolve technical or other sensitive matters.	Procedure Steps	N	N/A
ATT-104	Modify	Moved much of the detailed information from substeps to practice points so that experienced users familiar with this program have the option to save the time spent reading the detail.	Procedure Steps	N	N/A
ATT-104	Modify	Combined steps to read as follows: Perform inquiries of client management and others and perform other procedures as necessary to: a. Identify the responsible party for the subject matter and/or assertion; b. Identify the intended users of the practitioner's report; and c. Obtain a preliminary understanding of the scope of the engagement.	Procedure Steps	N	N/A
ATT-104	New	Obtain the prospective financial information together with a list of the significant assumptions and their descriptions.	Procedure Steps	N	N/A
ATT-104	New	Substeps added to the planning considerations step as follows: j. The rationale by which key factors are identified and assumptions are developed and the process by which assumptions are translated into prospective data. Identify any models and techniques that are used. If possible, obtain a description of them. k. The entity's documentation of both the prospective financial information and the process to develop it, to investigate whether there is: (1) Review and approval by the responsible party. (2) Determination of the relative effect of variations in major underlying assumptions. (3) Use of appropriate accounting principles and practices. (4) If applicable, the comparison of actual results with amounts contained in previous prospective financial information. l. Test significant elements of management's process designed to prevent or detect errors.	Procedure Steps	N	N/A
ATT-104	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a detailed list of information that is needed to perform the engagement, for the client to prepare.	Procedure Steps	N	N/A
ATT-104	Delete	Moved project management step to practice point,	Procedure	N	N/A

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
		deleting the following step: Consider preparing a budget for completion of the engagement.	Steps		
ATT-104	Modify	Combined steps to eliminate duplication- new step reads as follows: Review inherent risk, control risk, and detection risk assessments to determine that the assessed level of attestation risk remains appropriate. Adjust if necessary.	Procedure Steps	N	N/A
ATT-104	New	Substeps added to the evaluating assumptions step as follows: g. Inquire of the responsible party regarding possible additional factors or changes in assumptions. h. Trace key assumptions to the support for the assumptions to determine whether the indicated sources of information were actually used and to evaluate the suitability of existing support. If the information is taken from internal analyses, consider the need for testing the supporting information. i. Review any available documentation of the responsible party's plans, such as budgets, spending estimates, policy statements, or contractual agreements, and inquire about those plans, goals, and objectives and consider their relationship to the assumptions.	Procedure Steps	N	N/A
ATT-104	New	Substeps added to the presentation evaluation step as follows: a. An appropriate title. p. A disclosure of the date that the preparation of the prospective financial statements was completed. q. A statement, on each page of the prospective financial statements, that directs the reader to the summaries of significant assumptions and accounting policies.	Procedure Steps	N	N/A
ATT-104	Modify	Combined steps. New step reads as follows: Complete the engagement by: a. Documenting unresolved differences of opinion among firm personnel, if any. b. To the extent not already done, documenting consultations with others held to resolve technical or other sensitive matters. c. Resolving all pending matters. d. Ensuring that all reviews have been completed and documented. e. Obtaining all documentation necessary to release the engagement report. f. Finalizing any firm-administrative items, such as budgets or evaluations. g. Performing a file check to ensure all review notes are cleared and attest documentation has been reviewed	Procedure Steps	N	N/A
ATT-104	Delete	Deleted the following steps due to the combined step above: Perform and document the various reviews of the attestation engagement work. Document unresolved differences of opinion among firm personnel, if any.	Procedure Steps	N	N/A

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
		To the extent not already done, document consultations with others held to resolve technical or other sensitive matters.			
ATT-105	Modify	Moved much of the detailed information from substeps to practice points so that experienced users familiar with this program have the option to save the time spent reading the detail.	Procedure Steps	N	N/A
ATT-105	Modify	Combined steps to read as follows: Perform inquiries of client management and others and perform other procedures as necessary to: a. Identify the responsible party for the subject matter; b. Identify the intended users of the practitioner's report; and c. Obtain a preliminary understanding of the scope of the engagement.	Procedure Steps	N	N/A
ATT-105	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a detailed list of information that is needed to perform the engagement, for the client to prepare.	Procedure Steps	N	N/A
ATT-105	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a budget for completion of the engagement.	Procedure Steps	N	N/A
ATT-105	Modify	Combined steps. New step reads as follows: Complete the engagement by: a. Documenting unresolved differences of opinion among firm personnel, if any. b. To the extent not already done, documenting consultations with others held to resolve technical or other sensitive matters. c. Resolving all pending matters. d. Ensuring that all reviews have been completed and documented. e. Obtaining all documentation necessary to release the engagement report. f. Finalizing any firm-administrative items, such as budgets or evaluations. g. Performing a file check to ensure all review notes are cleared and attest documentation has been reviewed	Procedure Steps	N	N/A
ATT-105	Delete	Deleted the following steps due to the combined step above: Perform and document the various reviews of the attestation engagement work. Document unresolved differences of opinion among firm personnel, if any. To the extent not already done, document consultations with others held to resolve technical or other sensitive matters.	Procedure Steps	N	N/A
ATT-106	Modify	Combined steps to read as follows: Perform inquiries of client management and others and perform other procedures as necessary to:	Procedure Steps	N	N/A

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
		a. Identify the responsible party for the subject matter and/or assertion; b. Identify the intended users (specified parties) to whom the report will be restricted; and c. Obtain a preliminary understanding of the scope of the engagement.			
ATT-106	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a detailed list of information that is needed to perform the engagement, for the client to prepare.	Procedure Steps	N	N/A
ATT-106	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a budget for completion of the audit engagement.	Procedure Steps	N	N/A
ATT-106	Modify	Combined steps. New step reads as follows: Complete the engagement by: a. Documenting unresolved differences of opinion among firm personnel, if any. b. To the extent not already done, documenting consultations with others held to resolve technical or other sensitive matters. c. Resolving all pending matters. d. Ensuring that all reviews have been completed and documented. e. Obtaining all documentation necessary to release the engagement report. f. Finalizing any firm-administrative items, such as budgets or evaluations. g. Performing a file check to ensure all review notes are cleared and attest documentation has been reviewed	Procedure Steps	N	N/A
ATT-106	Delete	Deleted the following steps due to the combined step above: Perform and document the various reviews of the attestation engagement work. Document unresolved differences of opinion among firm personnel, if any. To the extent not already done, document consultations with others held to resolve technical or other sensitive matters.	Procedure Steps	N	N/A
ATT-107	Modify	Combined steps to read as follows: Perform inquiries of client management and others and perform other procedures as necessary to: a. Identify the responsible party for the subject matter and/or assertion; b. Identify the intended users of the practitioner's report; and c. Obtain a preliminary understanding of the scope of the engagement.	Procedure Steps	N	N/A
ATT-107	Delete	Deleted step: Determine tolerable misstatement or deviation rate for the engagement.	Procedure Steps	N	N/A
ATT-107	Modify	Combined steps to eliminate duplication- new step reads	Procedure	N	N/A

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
		as follows: Review inherent risk, control risk, and detection risk assessments to determine that the assessed level of attestation risk remains appropriate. Adjust if necessary.	Steps		
ATT-107	Delete	Deleted Step: Identify financial and nonfinancial information that may be useful for performing analytical procedures	Procedure Steps	N	N/A
ATT-107	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a detailed list of information that is needed to perform the engagement, for the client to prepare.	Procedure Steps	N	N/A
ATT-107	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a budget for completion of the engagement.	Procedure Steps	N	N/A
ATT-107	Modify	Combined steps. New step reads as follows: Complete the engagement by: a. Documenting unresolved differences of opinion among firm personnel, if any. b. To the extent not already done, documenting consultations with others held to resolve technical or other sensitive matters. c. Resolving all pending matters. d. Ensuring that all reviews have been completed and documented. e. Obtaining all documentation necessary to release the engagement report. f. Finalizing any firm-administrative items, such as budgets or evaluations. g. Performing a file check to ensure all review notes are cleared and attest documentation has been reviewed	Procedure Steps	N	N/A
ATT-107	Delete	Deleted the following steps due to the combined step above: Perform and document the various reviews of the attestation engagement work. Document unresolved differences of opinion among firm personnel, if any. To the extent not already done, document consultations with others held to resolve technical or other sensitive matters.	Procedure Steps	N	N/A
ATT-108	Modify	Combined steps to read as follows: Perform inquiries of client management and others and perform other procedures as necessary to: a. Identify the responsible party for the subject matter and/or assertion; b. Identify the intended users of the practitioner's report; and c. Obtain a preliminary understanding of the scope of the engagement.	Procedure Steps	N	N/A
ATT-108	Delete	Moved project management step to practice point, deleting the following step:	Procedure Steps	N	N/A

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
		Consider preparing a detailed list of information that is needed to perform the engagement, for the client to prepare.			
ATT-108	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a budget for completion of the engagement.	Procedure Steps	N	N/A
ATT-108	Modify	Combined steps. New step reads as follows: Complete the engagement by: a. Documenting unresolved differences of opinion among firm personnel, if any. b. To the extent not already done, documenting consultations with others held to resolve technical or other sensitive matters. c. Resolving all pending matters. d. Ensuring that all reviews have been completed and documented. e. Obtaining all documentation necessary to release the engagement report. f. Finalizing any firm-administrative items, such as budgets or evaluations. g. Performing a file check to ensure all review notes are cleared and attest documentation has been reviewed	Procedure Steps	N	N/A
ATT-108	Delete	Deleted the following steps due to the combined step above: Perform and document the various reviews of the attestation engagement work. Document unresolved differences of opinion among firm personnel, if any. To the extent not already done, document consultations with others held to resolve technical or other sensitive matters.	Procedure Steps	N	N/A
ATT-109	Modify	Combined steps to read as follows: Perform inquiries of client management and others and perform other procedures as necessary to: a. Identify the responsible party for the subject matter and/or assertion; b. Identify the intended users of the practitioner's report; and c. Obtain a preliminary understanding of the scope of the engagement.	Procedure Steps	N	N/A
ATT-109	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a detailed list of information that is needed to perform the engagement, for the client to prepare.	Procedure Steps	N	N/A
ATT-109	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a budget for completion of the engagement.	Procedure Steps	N	N/A
ATT-109	Modify	Combined steps. New step reads as follows: Complete the engagement by:	Procedure Steps	N	N/A

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
		a. Documenting unresolved differences of opinion among firm personnel, if any. b. To the extent not already done, documenting consultations with others held to resolve technical or other sensitive matters. c. Resolving all pending matters. d. Ensuring that all reviews have been completed and documented. e. Obtaining all documentation necessary to release the engagement report. f. Finalizing any firm-administrative items, such as budgets or evaluations. g. Performing a file check to ensure all review notes are cleared and attest documentation has been reviewed			
ATT-109	Delete	Deleted the following steps due to the combined step above: Perform and document the various reviews of the attestation engagement work. Document unresolved differences of opinion among firm personnel, if any. To the extent not already done, document consultations with others held to resolve technical or other sensitive matters.	Procedure Steps	N	N/A
ATT-110	Modify	Combined steps to read as follows: Perform inquiries of client management and others and perform other procedures as necessary to: a. Identify the responsible party for the subject matter and/or assertion; b. Identify the intended users of the practitioner's report; and c. Obtain a preliminary understanding of the scope of the engagement.	Procedure Steps	N	N/A
ATT-110	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a detailed list of information that is needed to perform the engagement, for the client to prepare.	Procedure Steps	N	N/A
ATT-110	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a budget for completion of the engagement.	Procedure Steps	N	N/A
ATT-110	Modify	Combined steps to eliminate duplication- new step reads as follows: Review inherent risk, control risk, and detection risk assessments to determine that the assessed level of attestation risk remains appropriate. Adjust if necessary.	Procedure Steps	N	N/A
ATT-110	Modify	Combined steps. New step reads as follows: Complete the engagement by: a. Documenting unresolved differences of opinion among firm personnel, if any. b. To the extent not already done, documenting consultations with others held to resolve technical or other sensitive matters.	Procedure Steps	N	N/A

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
		c. Resolving all pending matters. d. Ensuring that all reviews have been completed and documented. e. Obtaining all documentation necessary to release the engagement report. f. Finalizing any firm-administrative items, such as budgets or evaluations. g. Performing a file check to ensure all review notes are cleared and attest documentation has been reviewed			
ATT-110	Delete	Deleted the following steps due to the combined step above: Perform and document the various reviews of the attestation engagement work. Document unresolved differences of opinion among firm personnel, if any. To the extent not already done, document consultations with others held to resolve technical or other sensitive matters.	Procedure Steps	N	N/A
ATT-111	Modify	Combined steps to read as follows: Perform inquiries of client management and others and perform other procedures as necessary to: a. Identify the responsible party for the subject matter and/or assertion; b. Identify the intended users (specified parties) to whom the report will be restricted; and c. Obtain a preliminary understanding of the scope of the engagement.	Procedure Steps	N	N/A
ATT-111	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a detailed list of information that is needed to perform the engagement, for the client to prepare.	Procedure Steps	N	N/A
ATT-111	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a budget for completion of the audit engagement.	Procedure Steps	N	N/A
ATT-111	Modify	Combined steps. New step reads as follows: Complete the engagement by: a. Documenting unresolved differences of opinion among firm personnel, if any. b. To the extent not already done, documenting consultations with others held to resolve technical or other sensitive matters. c. Resolving all pending matters. d. Ensuring that all reviews have been completed and documented. e. Obtaining all documentation necessary to release the engagement report. f. Finalizing any firm-administrative items, such as budgets or evaluations. g. Performing a file check to ensure all review notes are cleared and attest documentation has been reviewed	Procedure Steps	N	N/A
ATT-111	Delete	Deleted the following steps due to the combined step	Procedure	N	N/A

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
		above: Perform and document the various reviews of the attestation engagement work. Document unresolved differences of opinion among firm personnel, if any. To the extent not already done, document consultations with others held to resolve technical or other sensitive matters.	Steps		
ATT-112	Modify	Combined steps to read as follows: Perform inquiries of client management and others and perform other procedures as necessary to: a. Identify the responsible party for the subject matter and/or assertion; b. Identify the intended users of the practitioner's report; and c. Obtain a preliminary understanding of the scope of the engagement.	Procedure Steps	N	N/A
ATT-112	Delete	Deleted step: Determine tolerable misstatement or deviation rate for the engagement.	Procedure Steps	N	N/A
ATT-112	Modify	Combined steps to eliminate duplication- new step reads as follows: Review inherent risk, control risk, and detection risk assessments to determine that the assessed level of attestation risk remains appropriate. Adjust if necessary.	Procedure Steps	N	N/A
ATT-112	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a detailed list of information that is needed to perform the engagement, for the client to prepare.	Procedure Steps	N	N/A
ATT-112	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a budget for completion of the engagement.	Procedure Steps	N	N/A
ATT-112	Modify	Modified step to include performance of procedures. Modified steps reads as follows: Design and perform substantive attest procedures to respond to the assessed risks of material misstatement or deviation, providing a clear link between the nature, timing, and extent of attest procedures and the appropriate level of detection risk.	Procedure Steps	N	N/A
ATT-112	Modify	Combined steps. New step reads as follows: Complete the engagement by: a. Documenting unresolved differences of opinion among firm personnel, if any. b. To the extent not already done, documenting consultations with others held to resolve technical or other sensitive matters. c. Resolving all pending matters. d. Ensuring that all reviews have been completed and documented. e. Obtaining all documentation necessary to release the engagement report.	Procedure Steps	N	N/A

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
		f. Finalizing any firm-administrative items, such as budgets or evaluations. g. Performing a file check to ensure all review notes are cleared and attest documentation has been reviewed			
ATT-112	Delete	Deleted the following steps due to the combined step above: Perform and document the various reviews of the attestation engagement work. Document unresolved differences of opinion among firm personnel, if any. To the extent not already done, document consultations with others held to resolve technical or other sensitive matters.	Procedure Steps	N	N/A
ATT-113	Modify	Combined steps to read as follows: Perform inquiries of client management and others and perform other procedures as necessary to: a. Identify the responsible party for the subject matter and/or assertion; b. Identify the intended users of the practitioner's report; and c. Obtain a preliminary understanding of the scope of the engagement.	Procedure Steps	N	N/A
ATT-113	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a detailed list of information that is needed to perform the engagement, for the client to prepare.	Procedure Steps	N	N/A
ATT-113	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a budget for completion of the engagement.	Procedure Steps	N	N/A
ATT-113	Modify	Combined steps. New step reads as follows: Complete the engagement by: a. Documenting unresolved differences of opinion among firm personnel, if any. b. To the extent not already done, documenting consultations with others held to resolve technical or other sensitive matters. c. Resolving all pending matters. d. Ensuring that all reviews have been completed and documented. e. Obtaining all documentation necessary to release the engagement report. f. Finalizing any firm-administrative items, such as budgets or evaluations. g. Performing a file check to ensure all review notes are cleared and attest documentation has been reviewed	Procedure Steps	N	N/A
ATT-113	Delete	Deleted the following steps due to the combined step above: Perform and document the various reviews of the attestation engagement work. Document unresolved differences of opinion among firm personnel, if any.	Procedure Steps	N	N/A

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
		To the extent not already done, document consultations with others held to resolve technical or other sensitive matters.			
ATT-114	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a detailed list of information that is needed to perform the engagement, for the client to prepare.	Procedure Steps	N	N/A
ATT-114	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a budget for completion of the engagement.	Procedure Steps	N	N/A
ATT-114	Modify	Modified description substep to read as follows: h. The specified control objectives and controls designed to achieve those objectives, including, information about the frequency with which a control is performed or the timing of its occurrence, the person or parties responsible for performing the control, the activity being performed, and the source of the information to which the control is applied.	Procedure Steps	N	N/A
ATT-114	New	New substep added to description procedures: i. Any complementary user entity controls contemplated in the design of the service organization's controls.	Procedure Steps	N	N/A
ATT-114	Modify	Combined steps. New step reads as follows: Complete the engagement by: a. Documenting unresolved differences of opinion among firm personnel, if any. b. To the extent not already done, documenting consultations with others held to resolve technical or other sensitive matters. c. Resolving all pending matters. d. Ensuring that all reviews have been completed and documented. e. Obtaining all documentation necessary to release the engagement report. f. Finalizing any firm-administrative items, such as budgets or evaluations. g. Performing a file check to ensure all review notes are cleared and attest documentation has been reviewed	Procedure Steps	N	N/A
ATT-114	Delete	Deleted the following steps due to the combined step above: Perform and document the various reviews of the attestation engagement work. Document unresolved differences of opinion among firm personnel, if any. To the extent not already done, document consultations with others held to resolve technical or other sensitive matters.	Procedure Steps	N	N/A
ATT-115	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a detailed list of information that is needed to perform the engagement, for the client to	Procedure Steps	N	N/A

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
		prepare.			
ATT-115	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a budget for completion of the engagement.	Procedure Steps	N	N/A
ATT-115	Modify	Combined steps. New step reads as follows: Complete the engagement by: a. Documenting unresolved differences of opinion among firm personnel, if any. b. To the extent not already done, documenting consultations with others held to resolve technical or other sensitive matters. c. Resolving all pending matters. d. Ensuring that all reviews have been completed and documented. e. Obtaining all documentation necessary to release the engagement report. f. Finalizing any firm-administrative items, such as budgets or evaluations. g. Performing a file check to ensure all review notes are cleared and attest documentation has been reviewed	Procedure Steps	N	N/A
ATT-115	Delete	Deleted the following steps due to the combined step above: Perform and document the various reviews of the attestation engagement work. Document unresolved differences of opinion among firm personnel, if any. To the extent not already done, document consultations with others held to resolve technical or other sensitive matters.	Procedure Steps	N	N/A
ATT-401	Modify	This workpaper was completely rewritten to be used with the 2013 Version of the COSO Integrated Internal Control Framework	Procedure Steps	Y	COSO 2013
ATT-401N	Modify	This workpaper was completely rewritten to be used with the 2013 Version of the COSO Integrated Internal Control Framework	Procedure Steps	Y	COSO 2013
ATT-403 through ATT-411	Modify	These workpapers have been significantly modified to be used with the 2013 Version of the COSO Integrated Internal Control Framework	Procedure Steps	Y	COSO 2013
ATT-412	New	New workpaper designed to provide the practitioner with factors to consider when obtaining an understanding of an entity's internal controls that relate to services performed by a service organization.	Procedure Steps	N	N/A
CON-101	Modify	Combined steps. Combined step reads as follows: Document the understanding established with the client regarding the scope and nature of the services to be performed in the engagement, including engagement limitations, such as the limitations associated with performing the procedures and the report distribution restrictions.			N/A

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
CON-101	Modify	Modified step to read as follows: Evaluate whether the engagement procedures requested are: a. Appropriate in the circumstances; and b. Not overly subjective and possibly open to varying interpretations	Procedure Steps	N	N/A
CON-101	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a detailed list of information that is needed to perform the engagement, for the client to prepare.	Procedure Steps	N	N/A
CON-101	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a budget for completion of the engagement.	Procedure Steps	N	N/A
CON-101	Modify	Staffing step modified to read as follows: Determine the level of staffing and supervision necessary to perform the engagement, including the determination of the need for the services of a specialist, or the use of any work performed by internal auditors or other client personnel	Procedure Steps	N	N/A
CON-101	New	39. Consider performing background investigations on the entity's management, those charged with governance, and related parties.	Procedure Steps	N	N/A
CON-101	Modify	Combined steps. New step reads as follows: Complete the engagement by: a. Documenting unresolved differences of opinion among firm personnel, if any. b. To the extent not already done, documenting consultations with others held to resolve technical or other sensitive matters. c. Resolving all pending matters. d. Ensuring that all reviews have been completed and documented. e. Obtaining all documentation necessary to release the engagement report. f. Finalizing any firm-administrative items, such as budgets or evaluations. g. Performing a file check to ensure all review notes are cleared and attest documentation has been reviewed	Procedure Steps	N	N/A
CON-101	Delete	Deleted the following steps due to the combined step above: Perform and document the various reviews of the attestation engagement work. Document unresolved differences of opinion among firm personnel, if any. To the extent not already done, document consultations with others held to resolve technical or other sensitive matters.	Procedure Steps	N	N/A
CON-102	Modify	Combined steps. Combined step reads as follows: Document the understanding established with the client regarding the scope and nature of the services to be	Procedure Steps	N	N/A

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
		performed in the engagement, including engagement limitations, such as the limitations associated with performing the procedures and the report distribution restrictions.			
CON-102	Modify	Modified step to read as follows: Evaluate whether the engagement procedures requested are: a. Appropriate in the circumstances; and b. Not overly subjective and possibly open to varying interpretations	Procedure Steps	N	N/A
CON-102	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a detailed list of information that is needed to perform the engagement, for the client to prepare.	Procedure Steps	N	N/A
CON-102	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a budget for completion of the engagement.	Procedure Steps	N	N/A
CON-102	Modify	Staffing step modified to read as follows: Determine the level of staffing and supervision necessary to perform the engagement, including the determination of the need for the services of a specialist, or the use of any work performed by internal auditors or other client personnel	Procedure Steps	N	N/A
CON-102	New	Consider performing background investigations on the entity's management, those charged with governance, and related parties.	Procedure Steps	N	N/A
CON-102	Modify	Combined steps. New step reads as follows: Complete the engagement by: a. Documenting unresolved differences of opinion among firm personnel, if any. b. To the extent not already done, documenting consultations with others held to resolve technical or other sensitive matters. c. Resolving all pending matters. d. Ensuring that all reviews have been completed and documented. e. Obtaining all documentation necessary to release the engagement report. f. Finalizing any firm-administrative items, such as budgets or evaluations. g. Performing a file check to ensure all review notes are cleared and attest documentation has been reviewed	Procedure Steps	N	N/A
CON-102	Delete	Deleted the following steps due to the combined step above: Perform and document the various reviews of the attestation engagement work. Document unresolved differences of opinion among firm personnel, if any. To the extent not already done, document consultations with others held to resolve technical or other sensitive	Procedure Steps	N	N/A

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
		matters.			
CON-104	Modify	Combined steps. Combined step reads as follows: Document the understanding established with the client regarding the scope and nature of the services to be performed in the engagement, including engagement limitations, such as the limitations associated with performing the procedures and the report distribution restrictions.	Procedure Steps	N	N/A
CON-104	Modify	Modified step to read as follows: Evaluate whether the engagement procedures requested are: a. Appropriate in the circumstances; and b. Not overly subjective and possibly open to varying interpretations	Procedure Steps	N	N/A
CON-104	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a detailed list of information that is needed to perform the engagement, for the client to prepare.	Procedure Steps	N	N/A
CON-104	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a budget for completion of the engagement.	Procedure Steps	N	N/A
CON-104	Modify	Combined steps. New step reads as follows: Complete the engagement by: a. Documenting unresolved differences of opinion among firm personnel, if any. b. To the extent not already done, documenting consultations with others held to resolve technical or other sensitive matters. c. Resolving all pending matters. d. Ensuring that all reviews have been completed and documented. e. Obtaining all documentation necessary to release the engagement report. f. Finalizing any firm-administrative items, such as budgets or evaluations. g. Performing a file check to ensure all review notes are cleared and attest documentation has been reviewed	Procedure Steps	N	N/A
CON-104	Delete	Deleted the following steps due to the combined step above: Perform and document the various reviews of the attestation engagement work. Document unresolved differences of opinion among firm personnel, if any. To the extent not already done, document consultations with others held to resolve technical or other sensitive matters.	Procedure Steps	N	N/A
CON-106	Modify	Modified step to read as follows: Evaluate whether the engagement procedures requested are: a. Appropriate in the circumstances; and	Procedure Steps	N	N/A

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
		b. Not overly subjective and possibly open to varying interpretations.			
CON-106	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a detailed list of information that is needed to perform the engagement, for the client to prepare.	Procedure Steps	N	N/A
CON-106	Delete	Moved project management step to practice point, deleting the following step: Consider preparing a budget for completion of the engagement.	Procedure Steps	N	N/A
CON-106	New	Perform the PrimePlus services/procedures.	Procedure Steps	N	N/A
CON-106	Modify	Combined steps. New step reads as follows: Complete the engagement by: a. Documenting unresolved differences of opinion among firm personnel, if any. b. To the extent not already done, documenting consultations with others held to resolve technical or other sensitive matters. c. Resolving all pending matters. d. Ensuring that all reviews have been completed and documented. e. Obtaining all documentation necessary to release the engagement report. f. Finalizing any firm-administrative items, such as budgets or evaluations. g. Performing a file check to ensure all review notes are cleared and attest documentation has been reviewed	Procedure Steps	N	N/A
CON-106	Delete	Deleted the following steps due to the combined step above: Perform and document the various reviews of the attestation engagement work. Document unresolved differences of opinion among firm personnel, if any. To the extent not already done, document consultations with others held to resolve technical or other sensitive matters.	Procedure Steps	N	N/A

Practitioner's Reports (RPTs): *2014 Knowledge-Based Nontraditional Engagements reports have been updated* to provide new illustrative example reports for prospective financial information engagements and SOC 1 engagements. Significant changes to the RPTs include:

- **NEW RPT-941 Prospective Financials Engagement: Unmodified Opinion on Forecast Financial Statements That Contain a Financial Projection.**
- **NEW RPT-942 Prospective Financials Engagement: Unmodified Opinion on Partial Presentation of Forecasted Information.**
- **NEW RPT-945 Prospective Financials Engagement: Unmodified Opinion on Partial Presentation of Projected Information.**
- **NEW RPT-950 Prospective Financials Engagement: Agreed-Upon Procedures Report on Partial Presentation of Forecasted Information.**

- **NEW RPT-952 Prospective Financials Engagement: Compilation Report on Forecast Financial Statements That Contain a Financial Projection.**
- **NEW RPT-953 Prospective Financials Engagement: Compilation Report on Partial Presentation of Forecasted Information.**
- **NEW RPT-955 Prospective Financials Engagement: Compilation Report on Partial Presentation of Projected Information.**
- **NEW RPT-1014 Service Auditor's Engagement (SOC 1): Unmodified Opinion on a Description of a Service Organization's System and the Suitability of the Design and Operating Effectiveness of Controls (Type 2) with Emphasis-of-Matter Paragraph.**
- **NEW RPT-1026 Service Auditor's Engagement (SOC 1): Illustrative Subservice Organization Management Assertions for a Type 2 Report.**

Correspondence Documents (CORs): *2014 Knowledge-Based Nontraditional Engagements* illustrative example correspondence documents have been updated throughout to include new practice points and examples. Significant changes to the CORs include:

- **NEW COR-204 New Engagement Letter: Examination Engagement on a Forecast.**
- **NEW COR-205 New Engagement Letter: Examination Engagement on a Projection.**
- **NEW COR-206 New Engagement Letter: Agreed-Upon Procedures Engagement on a Forecast.**
- **NEW COR-207 New Engagement Letter: Agreed-Upon Procedures Engagement on a Projection.**
- **NEW COR-217 Communication to Client When the Practitioner Is *Not* Required by Law, Regulation, or Contract to Provide Access to the Attest Documentation**
- **NEW COR-218 Practitioner's Agreement with and Request for Representations from the Practitioner's Specialist Who Performs Certain Attest Procedures**
- **NEW COR-914 Representation Letter: Subservice Organization in Type 2 Engagement to Report on Controls at a Service Organization (SOC 1)**

Practice Aids (AIDs): *2014 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. Significant changes to the AIDs include:

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
AID-201	New	Added practice points on Professional Ethics Interpretations and the Attestation Clarity Project	Instructions	N	N/A
AID-201	New	Added substep to internal audit services section that reads: Designing, implementing, or maintaining the client's monitoring activities (i.e., procedures performed to assess whether components of internal control are present and functioning)	Procedure steps	N	N/A
AID-301	New	Columns added to "Fluctuation" tab to document practitioner expectation and the basis for the practitioner expectation.	Table	N	N/A
AID-301	New	Three new ratios added to the "Ratio Analysis" tab.	Table	N	N/A
AID-801	New	Added tab to aid practitioners in determining tolerable misstatement or deviation and updated instructions accordingly	Tab	N	N/A

Resource Documents (RESs)

- **RES-001** has been updated and enhanced to reflect changes in standards and to better communicate the KBA methodology.

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 Guide, *Reporting on Controls at a Service Organization Relevant to User Entities' Internal Control over Financial Reporting (SOC 1)*

AICPA Guide, *Prospective Financial Information*