

2015 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 2015 *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 2015 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:

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
KBA-103 Evaluating and Communicating Internal Control Deficiencies and Noncompliance					
Modify	Modified instructions and column header (column 14 and 15).	Instructions ; column heading	N		Column 14 of table will reset on roll forward.
KBA-200 Entity Information and Background					
Modify	Minor wording modifications to improve consistency and flow of information	text	N	N/A	
KBA-201 Attestation Client/Engagement Acceptance Form					
Modify	Added Practice Point (step 8) 8. For agreed-upon procedures engagements, indicate whether: Practice Point: The practitioner should not accept an agreed-upon procedures engagement when the specified parties do not agree upon the procedures performed or to be performed and do not take responsibility for the sufficiency of the procedures for their	text	N	N/A	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	purposes.				

Attestation and Consulting Programs (ATTs 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 ATTs and CONs include:

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
ATT-401 Understanding Entity-Level Controls: Complex Entities					
Modify	Conclusion table answer selections for “Functioning” modified from (Y, N) to (Y, N, N/A)	Table, other than procedures	N		
ATT-401N Understanding Entity-Level Controls: Noncomplex Entities					
Modify	Conclusion table answer selections for “Functioning” modified from (Y, N,) to (Y, N, N/A)	Table, other than procedures	N		
ATT-114 Overall Attestation Program: Examination-Level Engagement to Report on Controls at a Service Organization (SOC 1)					
Modify	The term "controls at a subservice organization" have been replaced with the term "complementary subservice organization controls"	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)					
Modify	Step 3.h modified to read as follows: h. Determining the appropriate controls that are needed to achieve the applicable trust services criteria and designing, implementing, and documenting controls that are suitably designed and when applicable operating effectively to provide reasonable assurance that the applicable trust services criteria are met	Procedure Steps	Y	AICPA SOC 2 Guide	
Add	Step 3.j.: Specifying any additional criteria, stating them in the description of the service organization’s system, and, if the criteria are specified by law, regulation, or another party (for example, a user group or a professional body),	Procedure Steps	Y	AICPA SOC 2 Guide	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	identifying in the description the party specifying the criteria.				
Add	Step 3.k.: Identifying the risks that threaten the achievement of the criteria and linking them to the related control.	Procedure Steps	Y	AICPA SOC 2 Guide	
Modify	Step 3.l.(4) modified to read as follows: Written representations at the conclusion of the engagement (when the inclusive method is used, management of the service organization and subservice organization are responsible for providing separate representations).	Procedure Steps	Y	AICPA SOC 2 Guide	
Modify	Step 3.m.(4) modified to read as follows: Instances in which controls have not operated suitably to meet the applicable trust services criteria; and	Procedure Steps	N	N/A	
Modify	Step 7 modified to read as follows: 1. Determine that we have sufficient knowledge and understanding of the subject matter, including sufficient: a. Understanding of, and experience with, engagements of a similar nature and complexity through appropriate training and participation; b. Knowledge and understanding of the service organization's industry and business; c. Knowledge and understanding of relevant IT systems and technology; d. Experience evaluating risks related to the suitability of the design of controls; e. Experience evaluating the design of manual and IT controls related to the selected trust services principle(s), performing tests of such controls, and evaluating the results of the tests; f. Understanding of professional standards and applicable legal and regulatory requirements; g. Ability to apply professional judgment; h. Reason to believe that the subject matter is capable of evaluation against the applicable trust services criteria; and				

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	Knowledge of and experience with any additional subject matter to be included in the scope of the engagement.				
Modify	Step 20 modified to read as follows: Obtain an understanding of the service organization's system, including: a. Controls that are included in the scope of the engagement; and b. Significant vendors whose services affect the service organization's system including whether management has made an appropriate determination about whether these vendors are subservice organizations	Procedure Steps	Y	AICPA SOC 2 Guide	
Modify	Step 24.c. Modified to read as follows: a. The components of the system used to provide the services, which are the following: (1) Infrastructure. The physical structures, IT, and other hardware (for example, facilities, computers, equipment, mobile devices, and telecommunications networks) (2) Software. The application programs and IT system software that supports application programs (operating systems, middleware, and utilities). (3) People. The personnel involved in the governance, operation, and use of a system (developers, operators, entity users, vendor personnel, and managers). (4) Processes. The automated and manual procedures. (5) Data. Transaction streams, files, databases, tables, and output used or processed by a system.	Procedure Steps	Y	TSP Section 100	
Delete	Steps 23e and 23f deleted: e. How the service organization's system captures significant events and conditions f. The process used to prepare and deliver reports and other information provided to user entities and other parties.	Procedure Steps	Y	AICPA SOC 2 Guide	
Modify	Step 24.f. modified to read as follows: For each principle being reported on, the related criteria in TSP section 100 (applicable trust services criteria) and the related controls designed to meet those criteria, including any complementary user-entity controls contemplated in the design of the service organization's system.	Procedure Steps	Y	AICPA SOC 2 Guide	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
Modify	Step 24.g. modified to read as follows: When the inclusive method is used to present a subservice organization: (1) complementary subservice organization controls at the subservice organization. (2) Separate identification of the portions of the service organization's system that are attributable to the subservice organization.	Procedure Steps	Y	AICPA SOC 2 Guide	
Modify	Step 27.e.(4) modified to read as follows: A description of the service organization's practices regarding the retention of personal information.	Procedure Steps	Y	AICPA SOC 2 Guide	
Modify	Step 27.3.(5) modified to read as follows: A description of the service organization's practices for disposing of personal information.	Procedure Steps	Y	AICPA SOC 2 Guide	
Modify	Step 42.a. modified to read as follows: a. The risks that threaten meeting the applicable trust services criteria stated in the description have been identified and linked to the relevant control ;	Procedure Steps	Y	AICPA SOC 2 Guide	
Add	Step 42.b.: b. Management's assessment of potential events and circumstances that could threaten the achievement of the applicable trust services criteria, the effect of such events and circumstances, and the likelihood of their occurrence is complete and reasonable.	Procedure Steps	Y	AICPA SOC 2 Guide	
Add	Step 44.b: b. The description of each control includes : (1) What: The subject matter to which the control is applied; (2) Who: The party responsible for performing the control; (3) How: The nature of the activity performed, including sources of information used in performing the control; and When: The frequency with which the control is performed or the timing of its occurrence.	Procedure Steps	Y	AICPA SOC 2 Guide	
Add	Step 44.h:				

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>If the description includes controls that address the trust services criterion regarding the service organization's communication of its commitments to the users of the system :</p> <p>(1) The commitments are presented in sufficient detail for the users to understand the relationship between the controls implemented by the service organization and the commitments to user entities.</p> <p>When a report is designed for a broad range of users, the description summarizes the significant commitments that are common to such users and identifies those commitments that vary by user.</p>				
Add	Step 89.: Obtain final versions of the description of the service organization's system and management's assertion from management of the service organization	Procedure Steps	Y	AICPA SOC 2 Guide	
Modify	Step 91 modified to read as follows: Draft an appropriate service auditor's report and provide it to the appropriate party	Procedure Steps	Y	AICPA SOC 2 Guide	
Modify	The term "controls at a subservice organization" have been replaced with the term "complementary subservice organization controls"	Procedure Steps	N	N/A	
ATT-901 Audit Program: Evaluating the Subsequent Discovery of Facts Existing at the Date of the Practitioner's Report					
Modify	Heading "Financial Statements" modified: Management Revised the Subject Matter or Assertion for Subsequently Discovered Facts	Table, other than procedures	N	N/A	
Modify	Heading "Documentation" added above step 11.	Table, other than procedures	N	N/A	
Modify	Updated for consistency with CORE; modified for NTE.	Tables	N	N/A	

Practice Aids (AIDs): 2015 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. Practice Points have been added for exposure drafts issued. Significant changes to the AIDs include:

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
AID-201 Nonattest Services Independence Checklist					
Modify	<p>Updated the “Effective Date” paragraph for the SSAE Practice Alerts on proposed SSAE <i>Attestation Standards: Clarification and Recodification</i> and proposed SSAE <i>Subject-Matter Specific Attestation Standards: Clarification and Recodification</i>:</p> <p>Effective Date</p> <p>The effective date of the proposed SSAE has not been determined. The AICPA has stated that after all of the general and subject matter specific chapters have been finalized and approved by the ASB, they will be issued as a single SSAE with a single effective date. The most recent exposure draft states an anticipated effective date of no earlier than for reports for periods ending on or after December 15, 2016.</p>	Instructions	Y	Attestation Standards, Proposed SSAE	
Modify	<p>Added new Practice Alert:</p> <p>Practice Alert: In September 2014, as part of its attestation standards clarity project, the AICPA Auditing Standards Board (ASB) published Proposed Statement on Standards for Attestation Engagements <i>Reporting on an Examination of Controls at a Service Organization Relevant to User Entities’ Internal Control Over Financial Reporting: Clarification and Recodification</i> (the proposed SSAE). The proposed SSAE restructures AT Section 801, <i>Reporting on Controls at a Service Organization</i>. Although the proposed SSAE represents the redrafting of AT Section 801 to apply the ASB’s clarity drafting conventions, it also proposes significant revisions to the standards, including:</p> <ul style="list-style-type: none"> Revising AT Section 801 to: <ul style="list-style-type: none"> Conform it with chapters 1–4 of the most recent version of the Exposure Draft (ED) <i>Attestation Standards: Clarification and Recodification</i>; Align it with certain application guidance included in the May 1, 2013, edition of the AICPA guide, <i>Service Organizations Reporting on Controls at a Service Organization Relevant to User Entities’ Internal Control Over Financial Reporting</i> (the guide); and Address certain issues encountered in practice. Introduces and defines the term “complementary 	Instructions	Y	Attestation Standards, Proposed SSAE (AT Section 801)	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>subservice organization controls” (replacing the term “controls at a subservice organization” and its definition).</p> <ul style="list-style-type: none"> Revises the definition of “complementary user entity controls” to include only controls that are necessary to achieve the control objectives stated in management’s description of the service organization’s system. Requires the service auditor, as part of the risk assessment process, to read the reports of the internal audit function and regulatory examinations that relate to the services provided to user entities and the scope of the engagement. Deletes paragraphs in AT Section 801 related to using the work of internal auditors if those paragraphs are not specific to a service auditor’s engagement. Requires the service auditor to determine that management’s assertion includes all of the criteria management used to evaluate the fairness of the presentation of the description, the suitability of the design of the controls, and, in a Type 2 engagement, the operating effectiveness of the controls. Further clarifies how a service auditor performs a risk assessment in a service auditor’s engagement by adding paragraphs to AT Section 801 that: <ul style="list-style-type: none"> Identify the matters that should be included in the service auditor’s understanding of the service organization’s system; Indicate what the risks of material misstatement relate to in a service auditor’s engagement; and Indicate that the required procedures are performed to enable the service auditor to design and perform further procedures whose nature, timing, and extent are based on, and responsive to, the assessed risk of material misstatement. Adds application guidance that provides examples of information produced by a service organization that is commonly used by service auditors. Adds application guidance indicating that the service auditor may include in the description of tests of controls and results, the procedures the service auditor performed 				

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>to verify the completeness and accuracy of information provided by the service organization.</p> <ul style="list-style-type: none"> Indicates that the alternative to obtaining the required written representations (obtaining oral representations from the responsible party) of the July 22–24, 2014, draft of the <i>ED Attestation Standards: Clarification and Recodification</i> does not apply in a service auditor's engagement. Deletes the phrase "in all material respects" as it relates to management's assertion from the definitions of the terms "report on management's description of a service organization's system and the suitability of the design of controls" (Type 1 report) and "report on management's description of a service organization's system and the suitability of the design and operating effectiveness of controls" (Type 2 report). Clarifies that if management's assertion is included in the description of the service organization's system, it should be clearly segregated from the description of the service organization's system. Adds illustrative paragraphs to the Type 1 and Type 2 reports in Appendix A, "Illustrative Service Auditor's Reports," of AT Section 801 that would be added to the report in the following situations: <ul style="list-style-type: none"> The service organization uses a subservice organization, presents its description of the service organization's system using the carve-out method, and complementary subservice organization controls are required to meet the control objectives. Complementary user entity controls are required to meet the control objectives. Information that is not covered by the service auditor's report is included in the description of the service organization's system. Deletes Appendix B, "Illustrative Modified Service Auditor's Reports," of AT Section 801. Deletes Appendix C, "Illustrative Report Paragraphs for Service Organizations That Use a Subservice Organization," of AT Section 801. 				

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	Effective Date The effective date of the proposed SSAE has not been determined. The AICPA has stated that after all of the general and subject matter specific chapters have been finalized and approved by the ASB, they will be issued as a single SSAE with a single effective date. The most recent exposure draft states an anticipated effective date of no earlier than for reports for periods ending on or after December 15, 2016.				
Modify	Section I, paragraph 2, now reads: The <i>Nonattest Services</i> interpretation (ET Section 101.05, and 191-.015-016; as of December 15, 2014, ET Section 1.295) includes various examples of nonattest services that individually would not impair independence because the appropriate safeguards are in place and management participation reduces threats to an acceptable level. However, performing multiple nonattest services can increase the significance of these threats as well as other threats to independence. Before agreeing to perform nonattest services, the auditor should evaluate whether the performance of multiple nonattest services in the aggregate by the auditor or the auditor's firm creates a significant threat to the auditor's independence that cannot be reduced to an acceptable level by the application of the safeguards. In circumstances where threats are not at an acceptable level, the auditor should apply additional safeguards to eliminate the threats, or reduce them to an acceptable level. Notwithstanding, if the threats cannot be eliminated or reduced to an acceptable level, the auditor's independence will be impaired.	text	Y	ET Section 101.05, and 191-.015-016; as of December 15, 2014, ET Section 1.295	
Modify	Deleted the following step and renumbered the rest: 2. For all nonattest services provided, has the practitioner avoided making management decisions for the client?				
Modify	Step 2.a. modified; now reads as follows: Making all management decisions and assuming all management responsibilities?	Program steps			
Modify	Under General Activities That Would Impair the Practitioner's Independence, modified step 5 and substeps as follows; step now reads:				

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>5. Has the practitioner avoided the following general activities that would impair independence?</p> <p>a. Setting policy or strategic direction for the client or responsible party?</p> <p>b. Directing or accepting responsibility for actions of the client's or responsible party's employees, except to the extent permitted when using internal auditors to provide assistance for services performed under attestation standards?</p> <p>c. Authorizing, executing, or consummating a transaction, or otherwise having or exercising authority on behalf of the client?</p> <p>d. Preparing source documents, in any form, evidencing the occurrence of a transaction?</p> <p>e. Having custody of client assets?</p> <p>f. Accepting responsibility for the management of a project of the client or responsible party?</p> <p>g. Establishing or accepting responsibility for designing, implementing, or maintaining internal controls?</p>				
Modify	Modified section heading, adding "Payroll"; now reads: Bookkeeping, Payroll. and Basic Accounting Services				
Modify	<p>Under the "Internal Audit Services" heading, modified Substeps, adding new substeps e, f. as follows:</p> <p>e. Perform separate evaluations on the effectiveness of a significant control such that the practitioner is, in effect, performing routine operations <i>that are</i> built into the relevant process?</p> <p>f. Allow client or responsible party to rely on the practitioner's work as the primary basis for the client or responsible party's assertions on the design or operating effectiveness of internal controls?</p> <p>Modified substep i; now reads:</p> <p>i. Approving or being responsible for the overall internal audit work plan and its components (e.g., internal audit risk and scope, project priorities, and frequency of performance</p>				

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	of audit procedures)?				
AID-302 Inquiries of Management and Others within the Entity about the Risks of Fraud					
Modify	Modified first paragraph under Purpose; now reads: This form has been designed to help the practitioner summarize his or her inquiries of management and others within the entity about the risks of fraud and to document any risks of material misstatements that were identified from those inquiries. The practitioner may use multiple instances of this form to document individual interviews or may document those interviews in another workpaper, such as a memorandum.	Purpose	N		
Modify	Updated SSAE Practice Points with new effective date paragraphs (as in AID-201, above.	Purpose	Y	SSAE	
AID-601 Considering the Use of the Work of Internal Auditors or Other Responsible Party Personnel					
Modify	Updated for consistency with CORE; modified for NTE.	Purpose	N	N/A	
AID-602 Testing and Evaluating the Work of Internal Auditors or Other Responsible Party Personnel					
Modify	Updated for consistency with CORE; modified for NTE. Modified Section I heading; now reads: Section I: Using the Work of the Internal Audit Function in Obtaining Attest Evidence	Instructions; text	N	N/A	
AID-603 Understanding and Preliminary Assessment of the Entity's Internal Audit Function					
New	NEW Practice Aid designed to help the practitioner in understanding of the internal audit function and to document his or her procedures for understanding the internal audit function's organizational status, determining the nature and extent of the work of the internal audit function that can be used, the technical competence of the internal auditors, and the systematic and disciplined approach used by the internal audit function.	New Practice Aid	N	N/A	
AID-604 Using the Work of a Practitioner's Specialist					
Modify	Updated SSAE Practice Points with new effective date paragraphs (as in AID-201, above.	Purpose	Y	SSAE	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
AID-605 Using the Work of a Management's Specialist					
	Renumbered for consistency with CORE and other sets; was 603				
AID-901 Differences of Professional Opinion					
NEW	Signoff added for Quality Control Reviewer	Table	N	N/A	
AID-914 Report Preparation Checklist: Engagement to Report on a Service Organization's Controls (SOC 1)					
Modify	<p>Added Practice Alert:</p> <p>Practice Alert: In September 2014, as part of its attestation standards clarity project, the AICPA Auditing Standards Board (ASB) published Proposed Statement on Standards for Attestation Engagements <i>Reporting on an Examination of Controls at a Service Organization Relevant to User Entities' Internal Control Over Financial Reporting: Clarification and Recodification</i> (the proposed SSAE). The proposed SSAE restructures AT Section 801, <i>Reporting on Controls at a Service Organization</i>. Although the proposed SSAE represents the redrafting of AT Section 801 to apply the ASB's clarity drafting conventions, it also proposes significant revisions to the standards, including:</p> <ul style="list-style-type: none"> Revising AT Section 801 to: <ul style="list-style-type: none"> Conform it with chapters 1–4 of the most recent version of the Exposure Draft (ED), <i>Attestation Standards: Clarification and Recodification</i>, Align it with certain application guidance included in the May 1, 2013, edition of the AICPA Guide, <i>Service Organizations Reporting on Controls at a Service Organization Relevant to User Entities' Internal Control Over Financial Reporting</i> (the guide), and Address certain issues encountered in practice. Introduces and defines the term “complementary subservice organization controls” (replacing the term “controls at a subservice organization” and its definition). Revises the definition of “complementary user entity controls” to include only controls that are necessary to achieve the control objectives stated in management's description of the service organization's system. Requires the service auditor, as part of the risk assessment process, to read the reports of the internal 			Proposed SSAE, AT Section 101	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>audit function and regulatory examinations that relate to the services provided to user entities and the scope of the engagement.</p> <ul style="list-style-type: none"> Deletes paragraphs in AT Section 801 related to using the work of internal auditors if those paragraphs are not specific to a service auditor's engagement. Requires the service auditor to determine that management's assertion includes all of the criteria management used to evaluate the fairness of the presentation of the description, the suitability of the design of the controls, and, in a Type 2 engagement, the operating effectiveness of the controls. Further clarifies how a service auditor performs a risk assessment in a service auditor's engagement by adding paragraphs to AT Section 801 that: <ul style="list-style-type: none"> Identify the matters that should be included in the service auditor's understanding of the service organization's system; Indicate what the risks of material misstatement relate to in a service auditor's engagement; and Indicate that the required procedures are performed to enable the service auditor to design and perform further procedures whose nature, timing, and extent are based on, and responsive to, the assessed risk of material misstatement. Adds application guidance that provides examples of information produced by a service organization that is commonly used by service auditors. Adds application guidance indicating that the service auditor may include in the description of tests of controls and results, the procedures the service auditor performed to verify the completeness and accuracy of information provided by the service organization. Indicates that the alternative to obtaining the required written representations (obtaining oral representations from the responsible party) of the July 22–24, 2014, draft of the <i>ED Attestation Standards: Clarification and Recodification</i> does not apply in a service auditor's engagement. 				

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<ul style="list-style-type: none"> Deletes the phrase “in all material respects” as it relates to management’s assertion from the definitions of the terms “report on management’s description of a service organization’s system and the suitability of the design of controls” (Type 1 report) and “report on management’s description of a service organization’s system and the suitability of the design and operating effectiveness of controls” (Type 2 report). Clarifies that if management’s assertion is included in the description of the service organization’s system, it should be clearly segregated from the description of the service organization’s system. Adds illustrative paragraphs to the Type 1 and Type 2 reports in Appendix A, “Illustrative Service Auditor’s Reports,” of AT Section 801 that would be added to the report in the following situations: <ul style="list-style-type: none"> The service organization uses a subservice organization, presents its description of the service organization’s system using the carve-out method, and complementary subservice organization controls are required to meet the control objectives. Complementary user entity controls are required to meet the control objectives. Information that is not covered by the service auditor’s report is included in the description of the service organization’s system. Deletes Appendix B, “Illustrative Modified Service Auditor’s Reports,” of AT Section 801. Deletes Appendix C, “Illustrative Report Paragraphs for Service Organizations That Use a Subservice Organization,” of AT Section 801. <p>Effective Date</p> <p>The effective date of the proposed SSAE has not been determined. The AICPA has stated that after all of the general and subject matter specific chapters have been finalized and approved by the ASB, they will be issued as a single SSAE with a single effective date. The most recent exposure draft states an anticipated effective date of no earlier than for reports for periods ending on or after December 15, 2016</p>				
AID-915 Report Preparation Checklist: Engagement to Report on a Service Organization's Controls (SOC 2)					

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
Modify	<p>Added Practice Alert:</p> <p>Practice Alert: In June 2015, the Assurance Services Executive Committee (ASEC) of the AICPA published <i>Proposed Revision of Trust Services Principles and Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy</i> to amend TSP section 100, <i>Trust Services Principles and Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy</i>, and supersede Appendix D, "Generally Accepted Privacy Principles," of TSP Section 100A, <i>Trust Services Principles and Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy</i>.</p> <p>ASEC is revising the trust services principles and criteria to clarify, eliminate redundancy in, and update the criteria to reflect the changing technology and business environment. The criteria related to the security, availability, processing integrity, and confidentiality principles were revised in 2014 and are contained in paragraph .15 of TSP section 100. The purpose of the proposed revision is to revise the criteria related to privacy by deleting the criteria in paragraph .20 of TSP section 100 that are already addressed by the common criteria, and revising the remaining privacy criteria to create additional privacy criteria. These additional privacy criteria will be incorporated in paragraph .15 of TSP section 100 which currently includes the common criteria and the criteria for the availability, processing integrity, and confidentiality principles. The common criteria are the same as the criteria for the privacy principle.</p> <p>The following excerpt from the proposed revision summarizes what ASEC believes would be the most significant changes to the existing trust services principles and criteria:</p> <ul style="list-style-type: none"> • <i>Restructures and creates a new set of privacy criteria.</i> This exposure draft presents the additional criteria for the privacy principle so that the complete set of privacy criteria will consist of the common criteria plus the additional privacy criteria. The extant privacy criteria in paragraph .20 "Generally Accepted Privacy Principles" (GAPP) of TSP section 100 will be superseded by the common criteria and the additional criteria for the privacy principle. The extant GAPP will be revised by the AICPA's Information Management and Technology Assurance Privacy Task Force and published on aicpa.org as a management framework for the proper protection and management of personal information. • <i>Adds illustrative risks and controls related to privacy.</i> Appendix B, "Illustrative Risks and Controls," of TSP section 100 has been revised to include the additional privacy criteria and examples of risks that may prevent the privacy criteria from being met as well as controls designed to address those risks. In addition, certain revisions have been made to the illustrative risks and 		Y	TSP Section 100	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>controls for the common criteria to conform to the additional privacy criteria.</p> <ul style="list-style-type: none"> • <i>Clarifies CC3.1 and CC3.3.</i> The criteria were modified to clarify that the potential threats include those arising from the use of vendors and other third parties providing goods and services as well as threats arising from customer personnel and others with access to the system. • <i>Adds new criteria for confidentiality.</i> Two additional confidentiality criteria were added, C1.7 and C1.8, to address the retention and disposal of confidential information . <p>In addition, the text of TSP section 100 has been edited in some places to further clarify the explanatory material included in paragraphs .01-.14, the trust services criteria in paragraph .15, and the illustrative risks and controls in Appendix A, included herein, to address the changes to the trust services criteria.</p> <p>The comment period for the proposed revision closed on August 15, 2015.</p>				

Correspondence Documents (CORs): *2015 Knowledge-Based Nontraditional Engagements* illustrative example correspondence documents. COR-211; and COR-915 have been updated to include new practice points and guidance from the AICPA SOC 2 Guide.

Practitioner's Reports (RPTs): *2015 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:

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
All SOC 2 RPT	Modify	All SOC 2 reports modified to include the addition of the description criteria in the scope paragraph and include language that the AICPA SOC 2 guide indicates may be used based on the auditor' judgment.	Reports	Y	AICPA SOC 2 Guide
RPT-0920	New	New Sample Attest Engagement: Unmodified Opinion on Management's Assertion on Privacy Principle	New	Y	TSP 100 Appendix C
RPT-0921	New	New Sample Attest Engagement: Unmodified Opinion on Privacy Subject Matter—No Written Assertion	New	Y	TSP 100 Appendix C
RPT-0922	New	New Sample Attest Engagement: Illustrative Management's Assertion on Privacy Principle	New	Y	TSP 100 Appendix C

Tool	Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference
RPT-0923	New	New Sample Attest Engagement: Unmodified Opinion on ALTA Best Practices Assertion	New	Y	AICPA TQ&A Section 9540
RPT-0924	New	New Sample Attest Engagement: Unmodified Opinion on ALTA Best Practices-Criteria Attached (General Use)	New	Y	AICPA TQ&A Section 9540
RPT-0925	New	New Sample Attest Engagement: Illustrative Management's Assertion on ALTA Best Practices	New	Y	AICPA TQ&A Section 9540
RPT-0926	New	New Sample Attest Engagement: Unmodified Review Report on ALTA Best Practices Assertion (General Assertion)	New	Y	AICPA TQ&A Section 9540
RPT-1058	Deleted	Example SOC 2 report Deleted	Report deleted	Y	TSP Section 100

Resource Documents (RESs)

- **RES-001** has been updated and enhanced to reflect changes in standards and to better communicate the KBA methodology.
- **RES-002** modified as appropriate to incorporate new workpapers.
- **RES-020** has been updated to reflect the new TSP Section 100.

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

AICPA Guide, *Prospective Financial Information*

Government Auditing Standards (GAGAS), 2011 Revision

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

AICPA Statement on Standards for Attestation Engagements (SSAE) No. 17, *Reporting on Compiled Prospective Financial Statements When the Practitioner's Independence Is Impaired*

TSP Section 100, including pending update on generally accepted privacy principles (GAPP)

Exposure Drafts (EDs) on clarified AT Sections

Attestation Interpretation (AT) Section 9201

TQ&A Section 9540

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-200	Entity Information and Background	X only in Exam Package
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	

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>
ATT-100	Tailoring Question Workpaper	X
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)	

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>
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)	
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	

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>
ATT-412	Understanding Controls Maintained by a Service Organization	
CONs	CONSULTING PROGRAMS	
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-604	Using the Work of a Practitioner’s Specialist	
AID-605	Using the Work of a Management’s Specialist	
AID-702	Designing Tests of Controls	

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>
AID-901	Differences of Professional Opinion	