

# 2021 EMPLOYEE BENEFIT PLANS 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 **2021 Knowledge-Based Audits of Employee Benefit Plans** have been updated to help auditors conduct efficient and effective audit engagements in accordance with U.S. GAAS and to take into account the latest literature, standards, and guidance, including:

- AICPA Statement on Auditing Standards (SAS) No. 134, *Auditor Reporting and Amendments, Including Amendments Addressing Disclosures in the Audit of Financial Statements*;
- SAS No. 135, *Omnibus Statement on Auditing Standards – 2019*;
- SAS No. 136, *Forming an Opinion and Reporting on Financial Statements of Employee Benefit Plans Subject to ERISA*;
- SAS No. 137, *The Auditor's Responsibilities Relating to Other Information Included in Annual Reports*;
- SAS No. 138, *Amendments to the Description of the Concept of Materiality*;
- SAS No. 139, *Amendments to AU-C Sections 800, 805, and 810 to Incorporate Auditor Reporting Changes From SAS No. 134*;
- SAS No. 140, *Amendments to AU-C Sections 725, 730, 930, 935, and 940 to Incorporate Auditor Reporting Changes From SAS Nos. 134 and 137*;
- AICPA Ethics Interpretation, *Information System Services* (ET sec.1.295.145); and
- For 11-K audits, PCAOB auditing standards and rules issued through June 2020, including AS 1210, *Using the Work of an Auditor-Engaged Specialist*, and AS 2501 (Revised), *Auditing Accounting Estimates, Including Fair Value Measurements*.

The 2021 tools include links to detailed analysis related to the steps and processes discussed in the workpapers. Many new tips and examples have been incorporated. Also included are revised financial statement disclosures checklists that provide a centralized resource of the required and recommended U.S. GAAP disclosures and key presentation items currently in effect, using the style referencing under the FASB Accounting Standards Codification™.

**Caution:** This title should only be used by auditors who are implementing the requirements of SAS No. 134 – 140. For engagements where those standards will not yet be implemented, the auditor should continue to use the 2020 title, released on 3/12/2020. The procedures and illustrative letters and reports in the 2020 title are current through SAS No. 133, *Auditor Involvement with Exempt Offering Documents*, and AICPA Ethics Interpretation, *Hosting Services* (ET sec 1.295.143).

If you are not an early adopter, you still must install this title to obtain the updated KBA-901 Financial Statement Disclosure Checklist. The disclosure checklist is an independent workpaper and can be added to a binder without updating the other content for the new standards.

After installing, if you choose not to release the title, there are three options for inserting the updated disclosure checklist into a binder:

**Note:** Each of these options requires a staff member or group to have the right "Insert Workpapers from Unreleased Titles" which can be assigned in the ADMIN module. The staff with this right are noted as "select staff members" in the options below.

- Select staff members can insert the updated checklist and delete the existing checklist from the binder. The new checklist will not include any of the prior responses. However, the user can refer to the checklist in the prior year binder and copy/paste any relevant information.
- Select staff members can use the Update Knowledge Coach Content feature to update to the 2020 checklist. To do this, first check in all workpapers except KBA-901 Financial Statement Disclosures Checklists to avoid accidentally updating other workpapers. Then, right-click on KBA-901 in the binder and select **Update Knowledge Coach Content > Update Selected Knowledge Coach Workpapers** to update only the disclosure checklist to the 2020 version. This option retains responses from the prior year other than the tailoring questions (table of contents). If other forms are accidentally updated, the changes cannot be undone.
- Select staff members can create a binder template with just the updated disclosure checklist. Then, other staff members can copy and paste the disclosure checklist from the template into the client engagement binders. The new checklist will not include any of the prior responses. However, the user can refer to the checklist in the prior year binder and copy/paste any relevant information.

**Caution: If your firm will not be implementing the requirements of SAS No. 134 – 140 and will continue using the 2020 Employee Benefit Plan title but will need the PCAOB updates, which incorporate the new and reviewed requirements of PCAOB Auditing Standards AS 1105 (Revised) *Audit Evidence*, AS 1201 (Revised), *Supervision of the Audit Engagement*, AS 1210, *Using the Work of an Auditor-Engaged Specialist*, and AS 2501 (Revised), *Auditing Accounting Estimates, Including Fair Value Measurements*, please obtain the [KBA Employee Benefit Plans Supplement – PCAOB Updates for Firms NOT implementing SAS Nos. 134-140](#) on Accounting Research Manager. These standards are effective for audits of periods ending on or after December 15, 2020 and were not include in the 2020 title. If your firm doesn't have access to Accounting Research Manager, please email [KCQuestions@wolterskluwer.com](mailto:KCQuestions@wolterskluwer.com) for access to this supplement.**

The 2021 edition of *Knowledge-Based Audits of Employee Benefit Plans* includes the following updates:

### Knowledge-Based Audit Documents (KBAs)

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
<b>KBA-101 Overall Audit Strategy</b>					
Added	New TQ, “Is the auditor engaged to report on Key Audit Matters?” that will flow from AUD-100.  Please review KCO-003 Answer Effects for the Engagement-Level Tailoring Questions Workpaper for al functioning of this new TQ.	TQ Table			
Modify	Under “Reporting Requirements” in Section I, added step for key audit matters.  Step will show if TQ above is noted as “Yes” in AUD-100”	Procedures	New or Revised Guidance	SAS No. 139	
Modify	Under “Reliance on Others” modified text below the Service Organization table to improve workflow as follows:  If a service organization report is not available, the auditor should document his or her understanding of the control(s) management has in place over the work of the service organization in <b><i>KBA-403 Understanding Activity-Level Controls: Revenue, Employee Contributions Receivable and Cash Receipts</i></b> through <b><i>KBA-410</i></b>	Procedures	Improved Workflow		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<b><i>Understanding Activity-Level Controls: Financial Reporting and Closing Process.</i></b>				
Added	Under “Use of Other Information” added Practice Point as follows: <b>Practice Point for 11-K filings:</b> In May 2020, the PCAOB posted an update on its Data and Technology Research Project to share certain observations from its research and outreach activities regarding the use of technology by auditors and preparers and changes to firms’ methodologies. The overall objective of this research project is to assess whether there is a need for guidance, changes to PCAOB standards, or other regulatory actions in light of the increased use of technology-based tools by auditors and preparers.				
Modify	Modified first column header under step, “Document the other services our firm performs for this entity.” As follows:  Nature of Nonattest/Nonaudit Services	Procedures	Improved Workflow		Table will retain on roll forward if user selects to keep all responses on roll forward.
<b>KBA-102 Engagement Completion Document</b>					
Added	New TQ, “Is the auditor engaged to report on Key Audit Matters?” that will flow from AUD-100.  Please review KCO-003 Answer Effects for the Engagement-Level Tailoring Questions Workpaper for al functioning of this new TQ.	TQ Table			
Modify	Added information regarding AU-C Section 701 and key audit matters to the instructions including the Practice Point below.  <b>Practice Alert:</b> In May 2019, the AICPA’s Auditing Standards Board (ASB) issued Statement on Auditing Standards No. 134 (SAS-134), <i>Auditor Reporting and Amendments, Including Amendments Addressing Disclosures in the Audit of Financial Statements</i> . The changes in SAS-134 are intended to enhance the relevance and usefulness of the auditor’s report and provide financial statement users with more meaningful information about the audit. The suite of new standards on auditor reporting will result in the first significant changes to auditor’s reports in years, most notably the re-ordering of report sections and, when applicable, the reporting of key audit matters. SAS-134 makes important changes to the requirements for the form and content of the auditor’s report issued as a result of an audit of financial statements. In addition, it addresses the auditor’s responsibilities to form an opinion on the financial statements. This standard makes the following changes to the reporting standards: <ul style="list-style-type: none"> <li>• <i>Forming an Opinion and Reporting on Financial Statements</i> (Section 700 in SAS-134) addresses the form and content of the auditor’s report and the auditor’s responsibility to form an opinion on the financial statements.</li> </ul>	Instructions	New or Revised Guidance	SAS No. 134	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<ul style="list-style-type: none"> <li>● <i>Communicating Key Audit Matters in the Independent Auditor's Report</i> (Section 701 in SAS-134) notes that reporting of Key Audit Matters (KAMs) is not required unless the auditor is specifically engaged to report on KAMs.</li> <li>● <i>Modifications to the Opinion in the Independent Auditor's Report</i> (Section 705 in SAS-134) addresses how the form and content of the auditor's report are affected when the auditor expresses a modified opinion (i.e., a qualified opinion, an adverse opinion, or a disclaimer of opinion) on the financial statements.</li> <li>● <i>Emphasis-of-Matter Paragraphs and Other-Matter Paragraphs in the Independent Auditor's Report</i> (Section 706 in SAS-134) notably clarifies the relationship between emphasis-of-matter paragraphs and the communication of KAMs in the auditor's report.</li> </ul> <p>SAS-134 supersedes the following sections of the AICPA Auditing Standards Codification:</p> <ul style="list-style-type: none"> <li>● AU-C Section 700, <i>Forming an Opinion and Reporting on Financial Statements</i>;</li> <li>● AU-C Section 705, <i>Modifications to the Opinion in the Independent Auditor's Report</i>; and</li> <li>● AU-C Section 706, <i>Emphasis-of-Matter Paragraphs and Other-Matter Paragraphs in the Independent Auditor's Report</i>.</li> </ul> <p>SAS-134 also creates a new AU-C Section 701, <i>Communicating Key Audit Matters in the Independent Auditor's Report</i>.</p> <p>SAS-134 is effective for audits of financial statements for periods ending on or after December 15, 2020. Early implementation is <b>not</b> permitted. This toolset fully incorporates the requirements of SAS-134.</p>				
Modify	Added information regarding reportable findings under AU-C Section 703 to the instructions and tables.	Instructions Table	New or Revised Guidance	SAS No. 136	
Modify	Modified Prior Year table headers for documentation of significant matters, findings or issues.	Table	Clarification		Table will retain on roll forward if user selects to keep all responses on roll forward.
Modify	<p>Modified Significant Findings or Issues Table to address Key Audit Matters by adding two new columns as follows:</p> <p>If Engaged to Report Key Audit Matters, Will the Finding or Issue be Communicated and Included in the Auditor's Report as a Key Audit Matter?</p> <p>Rationale for Auditor's Determination of Whether a Matter Is a Key Audit Matter</p>	Table	New or Revised Guidance	SAS No. 134	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	Both columns will show if the NEW Key Audit Matters TQ in AUD-100 is answered as “Yes”.				
<b>KBA-103 Evaluating and Communicating Internal Control Deficiencies</b>					
Modify	Minor wording changes in the instructions	Instructions	New or Revised Guidance	SAS No. 135	
Added	New Default Answers for columns 12 – 15 in “Evaluation of Internal Control Deficiencies” Table  If Column 12 is “Yes”, then Columns 13, 14, and 15 will default to “N/A”  If Column 14 is “Yes”, then Column 15 will default to “N/A”	Table			On roll forward the answers to columns 13, 14, or 15 might update if user had incorrect answer in prior period.
Modify	Modified column, “Defic. No. From Above” in the “Communication of Internal Control Deficiencies” table so that deficiencies will be ordered by number or alphabetical when the deficiencies flow down.	Table			On roll forward the items will retain but may be reordered in this table if user selects to keep all responses.
<b>KBA-200 Plan Information and Background</b>					
Added	New TQ, “Is the auditor engaged to report on Key Audit Matters?” that will flow from AUD-100.  Please review KCO-003 Answer Effects for the Engagement-Level Tailoring Questions Workpaper for al functioning of this new TQ.	TQ Table			
Modify	Under “Reporting Requirements” in Section I, added step for key audit matters. Step will show if TQ above is noted as “Yes” in AUD-100”	Procedures	New or Revised Guidance	SAS No. 139	
Modify	Slightly modified step, “List name of components and component locations” and added related note.  <b>Note for 11-K filing:</b> AS 1205, <i>Part of the Audit Performed by Other Independent Auditors</i> , imposes requirements on a principal auditor (or “lead auditor”) that uses the work and reports of other independent auditors that have audited the financial statements of one or more subsidiaries, divisions, branches, components, or investments included in the financial statements audited by the principal auditor. The specific requirements vary depending upon whether the principal auditor uses the work of other auditors by (a) assuming responsibility for the other auditors’ work or (b) dividing responsibility for the audit with other auditors and referring to their work	Procedures	Enhancement		Step will retain on roll forward using default settings

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<p>in the principal auditor's audit report. For example, under AS 1205, the principal auditor may divide responsibility for the audit with the other auditor if it is impracticable for the principal auditor to review the other auditor's work.</p> <p>AS 1205 provides that in situations in which the auditor engages an accounting firm or individual accountants to participate in the audit engagement and AS 1205 does not apply, the auditor should supervise them in accordance with the requirements of AS 1201, <i>Supervision of the Audit Engagement</i>.</p> <p><b>Note:</b> In an audit of an entity with operations in multiple locations or with multiple components, the auditor must comply with the requirements of AU-C Section 600, <i>Special Considerations—Audits of Group Financial Statements (Including the Work of Component Auditors)</i> regardless of whether another auditor has been engaged to perform audit procedures at the component entity, and should consider the extent to which audit procedures should be performed at selected locations, business units, or components. The auditor's objective is to obtain sufficient appropriate audit evidence about whether the entity's consolidated financial statements are free of material misstatement. The auditor should correlate the amount of audit attention devoted to the location or business unit with the degree of risk of material misstatement associated with that location or business unit.</p> <p>When determining whether an engagement requires group audit consideration, the auditor should consider the following factors:</p> <ul style="list-style-type: none"> <li>• All consolidated financial statements;</li> <li>• All combined financial statements (i.e., components under common control);</li> <li>• If more than one location or division/branch/business segment exist;</li> <li>• Joint ventures;</li> <li>• Investees accounted for under the equity method or cost method, less impairment if applicable; and</li> <li>• Certain governmental considerations; for example, a component may be a separate legal entity reported as a component unit or part of the governmental entity such as a business activity, department or program.</li> </ul> <p>The auditor should consider the following factors when determining which locations or business units should be tested and when determining the nature, timing, and extent of the audit procedures to be performed:</p> <ul style="list-style-type: none"> <li>• The nature and amount of assets, liabilities, and transactions executed at the location or business unit, including, for example, significant transactions executed at the location or business unit that are outside the normal course of business for the entity, or that otherwise appear to be unusual given the auditor's understanding of the entity and its environment;</li> <li>• The materiality of the location or business unit;</li> <li>• The specific risks associated with the location or business unit that present a reasonable possibility of material misstatement to the entity's consolidated financial statements;</li> <li>• Whether the risks of material misstatement associated with the location or business unit apply to other locations or business units such that, in combination, they present a reasonable possibility of material misstatement to the entity's consolidated financial statements;</li> <li>• The degree of centralization of records or information processing;</li> </ul>				

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<ul style="list-style-type: none"> <li>• The effectiveness of the control environment, particularly with respect to management's control over the exercise of authority delegated to others and its ability to effectively supervise activities at the location or business unit; and</li> <li>• The frequency, timing, and scope of monitoring activities by the entity or others at the location or business unit.</li> </ul> <p>The auditor may also consider the following factors when determining the nature, timing, and extent of audit procedures for entities with multiple locations or business units:</p> <ul style="list-style-type: none"> <li>• Existence of subsidiaries or variable interest entities that will require consolidation;</li> <li>• Subsidiaries or other locations that are to be audited by component auditors;</li> <li>• Specialized knowledge that is required for subsidiaries or other locations;</li> <li>• Reporting currency or other location-specific requirements;</li> <li>• Communications with component auditors about the scope of their procedures and other professional requirements regarding the auditor's reliance on their work;</li> <li>• How to obtain evidence regarding the design and operation of internal controls when the entity uses an outside service organization to process significant or unusual transactions;</li> <li>• Information known from prior audits and whether the auditor may obtain and update evidence concerning the design and operation of internal controls initially obtained in prior-year audits;</li> <li>• How Information technology (IT) affects the audit, including the availability of client data and whether computer-assisted auditing techniques will be required or used. The auditor may need to consider the use of a specialist to test the operating effectiveness of both IT general and application controls;</li> <li>• The possibility of spreading the audit procedures and coverage over the year, particularly in connection with the timing of any interim reviews; and</li> <li>• The availability of client personnel, as well as coordination of entity support such as lead schedules and other supporting schedules requested by the auditor.</li> </ul> <p>Also, to introduce unpredictability into the testing, the auditor should vary the nature, timing, and extent of audit procedures to be performed at locations or business units from year to year.</p> <p>The auditor may eliminate from further consideration locations or business units that, individually or when aggregated with others, do not present a reasonable possibility of material misstatement to the entity's consolidated financial statements. In lower-risk locations or business units, the auditor first might evaluate whether testing entity-level controls, including controls in place to provide assurance that appropriate controls exist throughout the organization, provides the auditor with sufficient appropriate audit evidence.</p>				
<b>KBA-201 Client/Engagement Acceptance and Continuance Form</b>					
Added	New TQs, "Is the auditor engaged to report on Key Audit Matters?" and "Was the current year audit an ERISA section 103(a)(3)(C) audit? that will flow from AUD-100.	TQ Table	New or Revised Guidance	SAS No. 134	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	Please review KCO-003 Answer Effects for the Engagement-Level Tailoring Questions Workpaper for all functioning of these new TQs.				
Modify	Under part 1, added steps 5l and 5m which read as follows:  <ul style="list-style-type: none"> <li>l. Are you aware of any relationships or transactions with related parties?</li> <li>m. Are you aware of any significant transactions that are outside the normal course of business for the entity or that otherwise appear to be unusual due to their timing, size, or nature?</li> </ul>	Procedures	New or Revised Guidance	SAS No. 135	
Modify	Under Part 2, added Section I “Assessment of the Acceptance of an ERISA Section 103(a)(3)C) Engagement”.  Section will show/hide based on response to new ERISA TQ noted above, please review KCO-003 Answer Effects for the Engagement-Level Tailoring Questions Workpaper for all functioning of this new TQ.	Procedures	New or Revised Guidance	SAS No. 136	
Modify	Under Part 2, Section II (Previously Section I), added steps b and dd; modified step 2g which read as follows:  <ul style="list-style-type: none"> <li>b. Management has not maintained a current plan instrument.</li> <li>h. Are there undisclosed related-party relationships or transactions?</li> <li>y. If the entity is adopting or has adopted new accounting standards, are its internal controls inadequate to address the potential impact of the new standard’s required data and disclosures?</li> </ul>	Procedures	New or Revised Guidance	SAS No. 136 SAS No. 135	
Modify	Under Part 2, Section III, modified step 2a which now reads as follows:  <ul style="list-style-type: none"> <li>a. Are the preconditions for an audit present and do we understand the following: <ul style="list-style-type: none"> <li>i. The purpose for which the financial statements are prepared and whether the financial reporting framework applied in the presentation of the financial statements is a fair presentation framework;</li> <li>ii. The intended users of the financial statements;</li> <li>iii. The acceptability of the financial reporting framework applied in the preparation of the financial statements, including the steps taken by management to determine that it is acceptable in the circumstances;</li> </ul> </li> </ul>	Procedures	New or Revised Guidance	SAS No. 134	Step will reset on roll forward due to content changes.



Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<ul style="list-style-type: none"> <li>iv. The agreement of management and, where appropriate, those charged with governance, to the premise on which an audit is conducted;</li> <li>v. The agreement of management that it acknowledges and understands its responsibilities: <ul style="list-style-type: none"> <li>– For the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the financial statements, that are free from material misstatements, whether due to fraud or error;</li> <li>– To provide the auditor with access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, including access to information relevant to disclosures;</li> <li>– To make available to the auditor draft financial statements, including all information relevant to their preparation and fair presentation, whether obtained from within or outside of the general and subsidiary ledgers (including all information relevant to the preparation and fair presentation of disclosures), and any accompanying other information, in time to allow the completion of the audit in accordance with the proposed timetable;</li> <li>– To provide the auditor with additional information that the auditor may request from management for the purpose of the audit; and</li> <li>– To provide unrestricted access to persons within the entity from whom the auditor determines it necessary to obtain audit evidence; and</li> </ul> </li> <li>vi. If applicable, our legal responsibilities if we plan to use the form and content of the auditor’s report of another country.</li> </ul>				
Modify	<p>Under Part 2, Section III, added step 2c regarding key audit matters</p> <p>Step will show if NEW TQ above is selected as “Yes” in AUD-100.</p>	Procedures	New or Revised Guidance	SAS No. 134	
<b>KBA-301 Worksheet for Determination of Materiality, Performance Materiality, and Thresholds for Trivial Amounts</b>					
Modify	Added practice point regarding SAS-138	Purpose	New or Revised Guidance	SAS No. 138	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<p><b>Practice Alert:</b> In December 2019, the AICPA's Auditing Standards Board (ASB) issued Statement on Auditing Standards (SAS) No. 138, Amendments to the Description of the Concept of Materiality, which amends the definition and concepts of materiality to better align them with the U.S. judicial system, the auditing standards of the PCAOB, the U.S. Securities and Exchange Commission (SEC), and the Financial Accounting Standards Board (FASB). The ASB believes it is in the public interest to eliminate inconsistencies in the definition and concept of materiality, while also stating that they do not believe there will be a change in practice. SAS No. 138 states that:</p> <p>In general, misstatements, including omissions, are considered to be material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. Judgments about materiality involve both qualitative and quantitative considerations.</p> <p>SAS-138, as issued, was effective for audits of financial statements for periods ending on or after December 15, 2020. However, in Spring of 2020, the ASB voted to defer the effective date and SAS-138 is now effective for periods ending on or after December 15, 2021. This toolset incorporates the requirements of SAS-138.</p>				
<b>KBA-302 Understanding the Plan and Its Environment</b>					
Modify	<p>Under Section II “Nature of the Plan and Relevant Plan Provisions” (Previously “Nature of the Plan”), added step 1m, which reads as follows:</p> <p>Relevant Plan provisions:</p> <ul style="list-style-type: none"> <li>a) Maintenance of individual participant accounts.</li> <li>b) Contributions and contributions receivable.</li> <li>c) Distributions and related obligations.</li> <li>d) Claims in a health and welfare plan.</li> <li>e) Loans to participants.</li> <li>f) Investments and investment income.</li> <li>g) Expenses paid by the Plan.</li> </ul> <p>Other:</p>	Procedures	New or Revised Guidance	SAS No. 136	
Modify	<p>Under Section II, modified 4f and 4m; added 4g under “Selection and Application of Accounting Principles, Including Related Disclosures (i.e., Financial Reporting)”, which now read as follows:</p> <ul style="list-style-type: none"> <li>f. Events or transactions that result in significant measurement uncertainty, including accounting estimates and related disclosures (e.g., allowance for doubtful accounts, accruals, impairment).</li> <li>g. Omitting, misstating, or obscuring, significant information in disclosures.</li> </ul>	Procedures	New or Revised Guidance	SAS No. 134	Step g is a new step, others will retain on roll forward with default settings.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	h. Industry-specific significant classes of transactions, account balances, and related disclosures in the financial statements (e.g., employer contributions receivable, investments in mutual funds).				
Modify	<p>Under Section VI, Subsection 1, under “Opportunities” deleted 2a and added 2a and 2b; modified 2e; added 2h; and modified 2l as follows:</p> <p>a. There are related-party transactions that are also significant unusual transactions.</p> <p>b. There are significant transactions with related parties whose financial statements are not audited or are audited by another firm.</p> <p>e. There are significant or highly complex transactions, or significant unusual transactions,</p> <p>h. The plan has contractual arrangements lacking a business purpose or commercial or economic substance.</p> <p>l. There is ineffective monitoring of management as a result of:</p> <ul style="list-style-type: none"> <li>• Domination of management by a single person or small group (in a non-owner-manager business) without compensating controls.</li> <li>• Ineffective oversight by those charged with governance over the financial reporting process and internal control.</li> <li>• The exertion of dominant influence by or over a related party.</li> </ul>	Procedures	New or Revised Guidance	SAS No. 135	
<b>KBA-303 Inquiries of Management and Others Within the Plan About the Risks of Fraud and Noncompliance with Laws and Regulations</b>					
Modify	<p>Under “Inquiries of Management” modified step 3 and added step 6 as follows:</p> <p>3. Do you assess the risk that the financial statements (including the individual statements and the disclosures) may be materially misstated due to fraud, and how and how often do you make that assessment?</p> <p>6. Has the entity entered into any significant unusual transactions? If so, describe the nature, terms, and business purpose (or lack thereof) of those transactions and whether such transactions involved related parties.</p>	Procedures	New or Revised Guidance	SAS No. 134; SAS No. 135	Step 6 is a new step. Step 3 will retain on roll forward if user selects to keep all responses on roll forward.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
Modify	Under “Inquiries of Those Charged with Governance” added step 3 as follows:  Are you aware of any significant unusual transactions entered into by the entity?	Procedures	New or Revised Guidance	SAS No. 135	
Modify	Under “Inquiries of Internal Audit Function” added step 3 as follows:  Are you aware of any significant unusual transactions entered into by the entity?	Procedures	New or Revised Guidance	SAS No. 135	
Modify	In Conclusion section, “Based upon the above inquiries, we investigated inconsistencies related to inquiries of management, those charged with governance, and others, and have considered their impact on our assessment of the risk of fraud and identified risks of material misstatement due to fraud that have been summarized at <b><i>KBA-502 Summary of Risk Assessments.</i></b> ” the “No” floatie has been updated to be, “No Inconsistencies Noted”.	Conclusion	Workflow		This step will reset on roll forward due to content changes.
<b>KBA-400 Scoping and Mapping of Significant Account Balances, Classes of Transactions, and Disclosures</b>					
Modify	Minor wording changes in the instructions and to practice points in the instructions	Instructions	New or Revised Guidance	SAS No. 134 SAS No. 135	
Modify	In Table 1: Scoping and Mapping, the floatie, “Understand Reconciliation Process and Controls Only” for Column, “Type of Further Understanding of Activity-Level Controls to Be Gained” has been updated to remove the word “Only”	Table Floaties	Workflow		The response will retain on roll forward based on default settings.
<b>KBA-401 Understanding Entity-Level Controls</b>					
Modify	Modified descriptions of the five components of internal controls	Tables	Enhancement		
<b>KBA-402 Understanding General Controls for Information Technology</b>					
Modify	Modified Section I Table and related instructions to include Disclosures.	Instructions; Tables	New or Revised Guidance	SAS No. 134	
Modify	Multiple new Practice Points as follows:				

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations			
	<p><b>Practice Point:</b> The auditor's understanding of the information system relevant to financial reporting should include relevant aspects of that system relating to information disclosed in the financial statements that is obtained from within or outside of the general and subsidiary ledgers. Consideration of disclosures includes the quantitative and qualitative aspects of each disclosure.</p> <p><b>Practice Point:</b> Risks related to IT include (not all inclusive):</p> <ul style="list-style-type: none"> <li>• Whether the information technology system has the capability and is appropriately configured to process large volumes of data;</li> <li>• Complex calculations in applying a method. When diverse systems are required to process complex transactions, regular reconciliations between systems are made, in particular when the systems do not have automated interfaces or may be subject to manual intervention;</li> <li>• Whether the design and calibration of models and calculations within the system are periodically evaluated;</li> <li>• The complete and accurate extraction of data need for calculations, including accounting estimates, from the entity's records or from external information sources;</li> <li>• Data, including the complete and accurate flow of data through the entity's information system, the appropriateness of any modification to the data used in making calculations, including accounting estimates, and the maintenance of the integrity and security of the data;</li> <li>• The processing or recording of data obtained from external information sources;</li> <li>• Whether management has controls around access, change and maintenance of individual models and systems to maintain a strong audit trail of accredited versions of models and systems to prevent unauthorized access or amendments to those models and systems; and</li> <li>• Whether there are appropriate controls over the transfer of information related calculations, including accounting estimates, into the general ledger, including appropriate controls over journal entries.</li> </ul>							
<b>KBA-403 Understanding Activity-Level Controls: Revenue, Employer and Employee Contributions Receivable, and Cash Receipts through KBA-410 Understanding Activity-Level Controls: Financial Reporting and Closing Process</b>			Modify	Modified instructions for Step 3 regarding understanding the process of reconciling information	Instructions			
<b>KBA-410 Understanding Activity-level Controls:</b>			Modify	Modified subprocess "capture events and transactions..." to refer to unusual transactions rather than nonroutine transactions.	Tables	Enhancement	SAS-135	Selected subprocesses will retain on roll forward using default settings.
<b>KBA-411 Understanding Controls Maintained by a Service Organization</b>								

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
Modify	<p>Modified documentation of the date of the service auditor’s report which now reads as follows:</p> <p>The “as of date” (Type 1) or period covered (Type 2) in the service auditor’s report:</p>	Procedures	Enhancement		Step will reset on roll forward due to content changes.
Add	<p>Added the following items to be documented:</p> <p>Locations covered, if applicable:</p> <p>Name and description of subservice organization(s), if applicable:</p> <p>Type of opinion expressed in the service auditor’s report (e.g., unmodified or modified):</p> <p><b>Practice Point:</b> If modified, document the nature of the qualification(s), and any potential effect it may have on the risk of a material misstatement in the entity’s financial statements. A qualification may affect a single control objective or may affect several control objectives.</p>	Procedures	Enhancement		
Modify	<p>Moved step 1 into its own table above the description of the professional reputation of the service auditor:</p> <p>1. We performed procedures to become satisfied as to:</p> <p>a. The service auditor’s professional competence.</p> <p>b. The service auditor’s independence from the service organization.</p> <p>c. The adequacy of the standards under which the service auditor’s report was issued.</p> <p><b>Practice Point:</b> Procedures may include reviewing on-line sources of information regarding the service auditor’s standing (e.g., Public Company Accounting Oversight Board (PCAOB) website, AICPA Peer Review status website; and the applicable state accountancy board website). If no information can be found, the auditor should document that fact, and evaluate the effect on the audit.</p>	Procedures	Improved Workflow		Steps will retain from prior table on roll forward using default settings.
Add	<p>Added step 8d regarding the period not covered by the Type 2 report:</p> <p>If the Type 2 report does not cover a significant portion of the period covered by the entity’s financial statements, obtaining audit evidence regarding the operating effectiveness of controls for the period that is not covered by the Type 2 report by performing additional procedures.</p>	Procedures	Enhancement		
Modify	<p>Modified step 9 and 10 regarding exclusion of subservice organizations, which now reads as follows:</p>	Enhancement			Steps will reset on roll forward due to content changes.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<p>If we plan to use a Type 1 or a Type 2 report that excludes the services provided by a subservice organization and those services are relevant to the audit of the financial statements, we identified the functions performed by the subservice organization and applied the requirements of AU-C Section 402, <i>Audit Considerations Relating to an Entity Using a Service Organization</i>, with respect to the services provided by the subservice organization. If the service organization uses the carve-out method and the functions of the subservice organization are significant and relevant to the entity’s internal control over financial reporting, we obtained additional information about the subservice organization’s controls.</p> <p>If we expect to issue an unmodified auditor’s report, we will not refer to the work of the service auditor unless required by law or regulation to do so. If such reference is required by law or regulation, our report will indicate that the reference does not diminish our responsibility for the audit opinion.</p>				
<b>KBA-501 Team Discussion and Consideration of the Risks of Material Misstatement</b>					
Modify	<p>Updated references to the entity’s financial statements to include the related disclosures.</p> <p>Added new Practice Point:</p> <p><b>Practice Alert:</b> In May 2019, the AICPA’s Auditing Standards Board (ASB) issued Statement on Auditing Standards No. 135 (SAS-135), <i>Omnibus Statement on Auditing Standards - 2019</i>. The purpose of this standard is to better align AICPA auditing standards with the PCAOB auditing standards. Since the ASB completed its auditing standards clarity project, which clarified generally accepted auditing standards (GAAS) and converged them with the International Standards on Auditing (ISAs) issued by the IAASB, the PCAOB has issued Auditing Standard (AS) 1301, <i>Communications With Audit Committees</i>; AS 2701, <i>Auditing Supplemental Information Accompanying Audited Financial Statements</i>; and AS 2410, <i>Related Parties</i>. The ASB has issued amendments to GAAS for requirements in the PCAOB auditing standards that the ASB believes does not have an equivalent in GAAS.</p> <p>SAS-135 amends AU-C Section 240, <i>Consideration of Fraud in a Financial Statement Audit</i>, by introducing the term <i>significant unusual transactions</i> and defining it as “significant transactions that are outside the normal course of business for the entity or that otherwise appear to be unusual due to their timing, size, or nature” and adding additional factors to be considered.</p> <p>SAS-135 also amends AU-C Section 315, <i>Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement</i>, to make a conforming amendment for the use of the term <i>significant unusual transactions</i> as</p>	Purpose, Instructions, Procedures	New or Revised Guidance	SAS No. 134, 135, 136	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<p>discussed above, that is by changing “nonroutine” and “outside the normal course of business” transactions to <i>significant unusual transactions</i>.</p> <p>SAS-135, as issued, was effective for audits of financial statements for periods ending on or after December 15, 2020. However, in Spring of 2020, the ASB voted to defer the effective date and SAS-135 is now effective for periods ending on or after December 15, 2021. This toolset incorporates the requirements of SAS-135.</p> <p><b>Practice Alert:</b> In July 2019, the AICPA’s Auditing Standards Board (ASB) issued Statement on Auditing Standards No. 136 (SAS 136) <i>Forming an Opinion and Reporting on Financial Statements of Employee Benefit Plans Subject to ERISA</i>. SAS 136 addresses the auditor’s responsibility to form an opinion on the financial statements of employee benefit plans (EBPs) subject to the Employee Retirement Income Security Act of 1974 (ERISA). It also addresses the form and content of the auditor’s report issued as a result of an audit of ERISA plan financial statements, including the form and content of the report when management elects to have an audit performed pursuant to ERISA Section 103(a)(3)(C). The requirements in this SAS are specific to ERISA plan audit engagements and are intended to be performed as part of the audit of ERISA plan financial statements in accordance with generally accepted auditing standards (GAAS).</p> <p>SAS 136 addresses the auditor’s responsibility to identify and assess the risks of material misstatement in the financial statements through understanding the entity and its environment, including the entity’s internal control in accordance with AU-C section 315, <i>Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement</i>. The plan instrument is essential to understanding the plan and identifying and performing audit procedures that are responsive to assessed risks.</p> <p>The auditor should obtain and read the most current plan instrument for the audit period, including effective amendments, as part of obtaining an understanding of the entity sufficient to perform risk assessment procedures.</p> <p>When designing and performing audit procedures, the auditor should consider relevant plan provisions that affect the risk of material misstatement at the relevant assertion level for classes of transactions, account balances, and disclosures.</p> <p>AU-C section 300, <i>Planning an Audit</i>, requires the auditor to establish an overall audit strategy that sets the scope, timing, and direction of the audit and that guides the development of the audit plan. The audit plan should include a description of the nature and extent of planned risk assessment procedures as determined under AU-C section 315; the nature, timing, and extent of planned further audit procedures at the relevant assertion level as determined under AU-C section 330; and other planned audit procedures that are required to be carried out so that the engagement complies with GAAS.</p> <p>Obtaining an understanding of the plan and its environment, including its internal control, is a continuous, dynamic process of gathering, updating, and analyzing information throughout the audit. The auditor’s understanding of the plan establishes a frame of reference for planning the audit and exercising professional judgment throughout the audit when the auditor does the following:</p>				



Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<ul style="list-style-type: none"> <li>• Assesses the risks of material misstatement of the financial statements, including the related disclosures</li> <li>• Determines materiality in accordance with AU-C section 320, <i>Materiality in Planning and Performing an Audit</i></li> <li>• Considers the appropriateness of the selection and application of accounting policies and the adequacy of financial statement disclosures</li> <li>• Identifies areas for which special audit consideration may be necessary</li> <li>• Develops expectations for use when performing analytical procedures</li> <li>• Responds to the assessed risks of material misstatement, including designing and performing further audit procedures to obtain sufficient appropriate audit evidence</li> <li>• Evaluates the sufficiency and appropriateness of audit evidence obtained</li> </ul> <p>AU-C section 315 requires the auditor to perform risk assessment procedures to provide a basis for the identification and assessment of risks of material misstatement at the financial statement and relevant assertion levels. The consideration of risks of material misstatement at the relevant assertion level for classes of transactions, account balances, and disclosures directly assists in determining the nature, timing, and extent of further audit procedures at the assertion level necessary to obtain sufficient appropriate audit evidence.</p> <p>SAS-136, as issued, was effective for audits of financial statements for periods ending on or after December 15, 2020 and early implementation was <b>not</b> permitted. However, in Spring of 2020, the ASB voted to defer the effective date and SAS-136 is now effective for periods ending on or after December 15, 2021. The prohibition on early implementation was also removed. This toolset incorporates the requirements of SAS-136.</p>				
Modify	Updated factors to consider in determining whether a risk is a significant risk to include significant unusual transactions (rather than outside the normal course of business) and related-party transactions that are also significant unusual transactions.	Procedures	New or Revised Guidance	SAS No. 135	
Modify	<p>Under “Identification of Risks of Material Misstatement” modified step 1a to include obscure disclosures:</p> <p>We discussed the following matters that may be relevant in identifying risks of fraud:</p> <p>Risk of omitted, obscure, incomplete, or inaccurate disclosures.</p>	Procedures	New or Revised Guidance	SAS No. 134	Step will retain on roll forward if user selects to keep all responses on roll forward.
<b>KBA-502 Summary of Risk Assessments</b>					
Modify	Updated factors to consider in determining whether a risk is a significant risk to include significant unusual transactions (rather than outside the normal course of business) and related-party transactions that are also significant unusual transactions.	Instructions	New or Revised Guidance	SAS No. 135	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
Modify	Under “Section I: Financial-Statement-Level Risks” modified the planned overall response related to management override of internal controls to address the entity’s business purpose (rather than rationale) for significant unusual transactions.	Procedures	New or Revised Guidance	SAS No. 135	
Added	New Default Answer if user isn’t testing controls (by selecting “No” to “Has the auditor been engaged to perform an integrated audit (i.e., an audit of internal control over financial reporting that is integrated with the audit of financial statements)?” or “Does the auditor intend to test the operating effectiveness of internal controls over financial reporting?” and Column 5, “Controls Selected for Testing of Operating Effectiveness” is “No”, then Column 7, “CR” will default to “Max”				On roll forward if user selects to keep all responses then any responses that were incorrect will default to this new default answer.
<b>KBA-503 Basis for Inherent Risk Assessment</b>					
Modify	Added columns to table for relevant assertion and inherent risk assessment to aid in documenting the basis for inherent risk.  This information will flow from KBA-502  Users will now select in the first column, “Significant Audit Areas” the audit areas where the user wants to document the basis for inherent risk. After selecting the audit area, the two columns above will flow in. The user also now has the ability to only document the basis for inherent risk assessment for audit area or for a particular assertion related to that audit area.	Instructions, Table	Improved workflow		This workpaper will reset on roll forward due to the content changes.
Modify	Added inherent risk considerations related to fair value of financial instruments for 11-K audits.	Instructions	New or Revised Guidance	AS 2501 (Revised)	
<b>KBA-901 Financial Statement Disclosures Checklist</b>					
Modify	New, streamlined approach for tailoring the financial statement disclosure checklist	Disclosures	Workflow		On roll forward the user will be able to roll forward and keep responses, but these responses will not show until user has answered the applicable tailoring. After roll forward please be sure to answer all new Tailoring questions.
Modify	Current through ASU 2020-11	Instructions, Procedures	New and Revised Guidance		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
<b>KBA-902 Audit Review and Approval Checklist</b>					
Added	New TQ, "Is the auditor engaged to report on Key Audit Matters?" that will flow from AUD-100.  Please review KCO-003 Answer Effects for the Engagement-Level Tailoring Questions Workpaper for al functioning of this new TQ.	TQ Table			
Modify	Under "Section I: Detailed Auditor Review" modified step 9 and under "Section II: Engagement Partner Review" modified step 8 to address key audit matters:  The Engagement Completion Document adequately addresses significant findings and issues identified during the audit, including identification and evaluation of key audit matters when the auditor is engaged to report on key audit matters.	Procedures	New and Revised Guidance	SAS-134	Step will reset on roll forward due to content changes.
Add	Under "Section III: Concurring Partner Review" and "Section IV: Engagement Quality Control Review" added step 4d for key audit matters:  If engaged to report on key audit matters, the engagement team's conclusion regarding the identification, description, communication, and inclusion in the auditor's report of key audit matters or if applicable, depending on the facts and circumstances of the entity and the audit engagement, that there were no key audit matters to communicate in the auditor's report.  Step will show/hide based on new TQ above.	Procedures	New and Revised Guidance	SAS-134	
Modify	Under "Section III: Concurring Partner Review" and "Section IV: Engagement Quality Control Review" modified step 5 which now reads as follows:  I have read other information included in the entity's annual report and have evaluated whether the engagement team has taken appropriate action with respect to any material inconsistencies with the financial statements or material misstatements of fact of which I am aware.	Procedures	New and Revised Guidance	SAS-137	Step will retain on roll forward if user selects to keep all responses on roll forward.
<b>KBA-904 Audit Documentation Checklist</b>					

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
Added	<p>New TQ, “Is the auditor engaged to report on Key Audit Matters?” that will flow from AUD-100.</p> <p>Please review KCO-003 Answer Effects for the Engagement-Level Tailoring Questions Workpaper for al functioning of this new TQ.</p>	TQ Table			
Modify	<p>Modified step 9 regarding communications with those charged with governance, which now reads as follows:</p> <p>In connection with the communication with those charged with governance as required by AU-C 260, <i>The Auditor’s Communication with Those Charged with Governance</i>, and AU-C 265, <i>Communicating Internal Control Related Matters Identified in an Audit</i>, we included the following in the audit documentation:</p> <ol style="list-style-type: none"> <li>a. When matters required to be communicated have been communicated orally, we included a record of the nature of the communication, and when and to whom these items were communicated (AU-C 260; AU-C 265); and</li> <li>b. If, as part of its communication to those charged with governance, management communicated some or all of the matters that we are required to communicate and, as a result, we did not communicate these matters at the same level of detail as management, we included a copy or summary of management’s communications provided to those charged with governance (AU-C 260).</li> <li>c. If we identified items that are not in accordance with the criteria specified (for example, not in accordance with the plan instrument), our evaluation of whether the matters are reportable findings and a record of the communication of reportable findings to those charged with governance (AU-C 703).</li> </ol>	Procedures	New and Revised Guidance	SAS-135	Step will reset on roll forward due to content changes.
Modify	<p>Modified step 17a regarding documentation of the reconciliation of accounting records which now reads as follows:</p> <p>The agreement or reconciliation of the accounting records to information in the audited financial statements or other audited information, including agreeing or reconciling disclosures, whether such information is obtained</p>	Procedures	New and Revised Guidance	SAS-134	Step will reset on roll forward due to content changes.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	from within or outside of the general ledger and subsidiary ledgers (AU-C 330);				
Add	<p>Added step 22 regarding key audit matters:</p> <p>If we were engaged to report on Key Audit Matters, we have documented the following (AU-C 701):</p> <ol style="list-style-type: none"> <li>a. The communications with those charged with governance and the appropriate audit documentation relating to each individual matter.</li> <li>b. The determination, from the matters communicated with those charged with governance, of the matters that required significant auditor attention and whether or not each of those matters is a key audit matter.</li> <li>c. Why the matter was determined to be a key audit matter.</li> <li>d. How each key audit matter was addressed in the audit.</li> <li>e. When applicable, the rationale for our determination that there are no key audit matters to communicate in the auditor’s report.</li> <li>f. When applicable, the rationale for our determination that the only key audit matters to communicate in the auditor’s report are matters giving rise to a qualified opinion or involving substantial doubt about an entity’s ability to continue as a going concern for a reasonable period of time.</li> <li>g. When applicable, the rationale for our determination not to communicate in the auditor’s report a matter determined to be a key audit matter.</li> </ol> <p>Step will show/hide based on new TQ, above.</p>	Procedures	New and Revised Guidance	SAS-134	
Add	<p>Added step 23 regarding other information contained in the annual report:</p> <ol style="list-style-type: none"> <li>2. If the auditor’s report is included in an entity’s annual report that contains other information, we have documented the following (AU-C 720): <ol style="list-style-type: none"> <li>a. The procedures performed regarding other information contained in the entity’s annual report; and</li> <li>b. The final version of the other information on which we performed the work required.</li> </ol> </li> </ol>	Procedures	New and Revised Guidance	SAS-137	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	Step will show/hide based on new TQ, above.				

**KBA-901 Financial Statement Disclosures Checklist**

Type of Change	Description of Change	Roll Forward and Update Content Considerations
<b>Interim Reporting (ASC 270)</b>		
<b>Overall</b>		
Modify	<p>Modified Note after step 6 as follows:</p> <p>The presentation and disclosure requirements in item 7 below are prescribed by the amendments in ASU No. 2016-02, <i>Leases (Topic 842)</i>, which is effective for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years for: (a) public business entities, (b) not-for-profit entities that have issued, or are conduit bond obligors for, securities that are traded, listed, or quoted on an exchange or an over-the-counter market (with an exception for those entities that have not yet issued their financial statements or made financial statements available for issuance as described in the following sentence), and (c) employee benefit plans that file or furnish financial statements with or to the Securities and Exchange Commission. A not-for-profit entity that has issued or is a conduit bond obligor for securities that are traded, listed, or quoted on an exchange or an over-the-counter market that has not yet issued financial statements or made financial statements available for issuance as of June 3, 2020, should apply ASU No. 2016-02 for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. For all other entities, the requirements are effective for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. Early adoption is permitted. (ASC 842-10-65-1)</p> <p>Note that this note has been updated throughout KBA-901.</p>	
<b>Investments – Debt and Equity Securities (ASC 320)</b>		
Added	<p>Added new Note after step 14 and 15 as follows:</p> <p><i>Note:</i> If for the purposes of identifying and measuring an impairment the applicable accrued interest is excluded from both the fair value and amortized cost basis of the available-for-sale debt security, an entity may, as a practical expedient, exclude the applicable accrued interest that is included in the amortized cost basis for the purposes of the disclosure requirements in item 14 above. If an entity elects this practical expedient, it should disclose the total amount of accrued interest, net of the allowance for credit losses (if any), excluded from the disclosed amortized cost basis. (ASC 320-10-50-2A)</p>	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
<b>Financial Instruments – Credit Losses (ASC 326)</b> <b>Overall</b>		
Added	<p>Added new Notes after step 4 as follows:</p> <p><i>Note:</i> An entity that adjusts the effective interest rate used to discount expected cash flows to consider the timing (and changes in timing) of expected cash flows resulting from expected prepayments in accordance with ASC paragraphs 326-20-30-4 through 30-4A for troubled debt restructurings that exist as of the date of adoption may, as an accounting policy election, calculate the prepayment-adjusted effective interest rate using the original contractual rate and the prepayment assumptions as of the date of adoption.</p>	
Added	<p>New Notes and steps at end of section as follows:</p> <p><i>Note:</i> An entity that issues interim financial statements should provide disclosures (a) through (d) above in each interim financial statement of the year of change and the annual financial statement of the year of change.</p> <p><i>Note:</i> ASU No. 2016-13 has been amended by ASU No. 2019-11, <i>Codification Improvements to Topic 326, Financial Instruments—Credit Losses</i>. For entities that have not yet adopted ASU No. 2016-13, the effective dates and transition requirements for ASU No. 2019-11 are the same as the effective dates and transition requirements in ASU No. 2016-13. For an entity that has already adopted ASU No. 2016-13, ASU No. 2019-11 is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. (ASC 326-10-65-4)</p> <p>Early adoption, including adoption in an interim period, is permitted as long as an entity has adopted ASU No. 2016-13.</p> <p>For entities that have adopted ASU No. 2016-13, ASU No. 2019-11 should be applied by means of a cumulative-effect adjustment to the opening retained earnings as of the beginning of the first reporting period in which ASU No. 2016-13 is effective.</p> <p>Has the entity provided the following disclosures in the period of adoption of ASU No. 2019-11 (ASC 326-10-65-4):</p> <ol style="list-style-type: none"> <li>a. The nature of the change in accounting principle, including an explanation of the newly adopted accounting principle?</li> <li>b. The method of applying the change?</li> <li>c. The effect of the adoption on any line item in the balance sheet, if material, as of the beginning of the first period for which ASU No. 2019-11 is applied?</li> </ol> <p><i>Note:</i> Presentation of the effect on financial statement subtotals is not required.</p> <ol style="list-style-type: none"> <li>d. The cumulative effect of the change on retained earnings or other components of equity in the balance sheet as of the beginning of the first period for which ASU No. 2019-11 is applied?</li> </ol>	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	<p><i>Note:</i> An entity that issues interim financial statements should provide disclosures (a) through (d) above in each interim financial statement of the year of change and the annual financial statement of the year of change.</p>	
<p><b>Intangibles – Goodwill and Other (ASC 350)</b>  <b>Goodwill</b></p>		
Modify	<p>Modified step 4 substeps as follows:  December 15, 2019, for public business entities that are U. S. Securities and Exchange Commission (SEC) filers, excluding entities eligible to be smaller reporting companies as defined by the SEC. The one-time determination of whether an entity is eligible to be a smaller reporting company should be based on an entity’s most recent determination as of November 15, 2019 in accordance with SEC regulations.  December 15, 2022, for all other entities.</p>	
<p><b>Equity (ASC 505)</b>  <b>Equity-Based Payments to Non-Employees</b></p>		
Removed	<p>Removed the following Note and step:  <i>Note:</i> The presentation and disclosure requirements in item 3 below have been superseded by the amendments in ASU No. 2014-09, <i>Revenue from Contracts with Customers (Topic 606)</i>, as subsequently amended, which is effective on a retrospective basis for public business entities, not-for-profit entities that have issued, or are conduit bond obligors for, securities that are traded, listed, or quoted on an exchange or an over-the-counter market, and employee benefit plans that file or furnish financial statements with or to the Securities and Exchange Commission, for annual reporting periods beginning after December 15, 2017, including interim reporting periods within that reporting period. Early adoption is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that reporting period. For all other entities, the requirements are effective on a retrospective basis for annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual reporting periods beginning after December 15, 2019. However, all such other entities may elect early adoption only as of either: (a) an annual reporting period beginning after December 15, 2016, including interim reporting periods within that reporting period; or (b) an annual reporting period beginning after December 15, 2016, and interim reporting periods within annual reporting periods beginning one year after the annual reporting period in which an entity first applies ASU No. 2014-09, as subsequently amended. Thereafter, the presentation and disclosure requirements in Topic 606, <i>Revenue from Contracts with Customers</i>, below should be followed. (ASC 606-10-65-1)  The SEC staff would not object to a public business entity that otherwise would not meet the definition of a public business entity except for a requirement to include or the inclusion of its</p>	



Type of Change	Description of Change	Roll Forward and Update Content Considerations
	<p>financial statements or financial information in another entity’s filing with the SEC adopting ASC Topic 606 for annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual reporting periods beginning after December 15, 2019. However, a public business entity that otherwise would not meet the definition of a public business entity except for a requirement to include or the inclusion of its financial statements or financial information in another entity’s filing with the SEC may still elect to adopt ASC Topic 606 according to the public business entity effective dates discussed above. (ASC 606-10-S65-1)</p> <p>For a grantee that provides goods or services other than employee services in share-based payment transactions, has the grantee disclosed in accordance with ASC paragraphs 845-10-50-1 and 50-2 the amount of gross operating revenue recognized as a result of such nonmonetary transactions? (ASC 505-50-50-2) (See “Nonmonetary Transactions”)</p>	
<b>Revenue from Contracts with Customers (ASC 606)</b>		
Removed	<p>Removed the following Notes and Steps:</p> <p><i>Note:</i> The presentation and disclosure requirements in Topic 605, <i>Revenue Recognition</i>, above have been superseded by the amendments in ASU No. 2014-09, <i>Revenue from Contracts with Customers (Topic 606)</i>, as subsequently amended, which is effective on a retrospective basis for public business entities, not-for-profit entities that have issued, or are conduit bond obligors for, securities that are traded, listed, or quoted on an exchange or an over-the-counter market, and employee benefit plans that file or furnish financial statements with or to the Securities and Exchange Commission, for annual reporting periods beginning after December 15, 2017, including interim reporting periods within that reporting period. Early adoption is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that reporting period. For all other entities, the requirements are effective on a retrospective basis for annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual reporting periods beginning after December 15, 2019. However, all such other entities may elect early adoption only as of either: (a) an annual reporting period beginning after December 15, 2016, including interim reporting periods within that reporting period; or (b) an annual reporting period beginning after December 15, 2016, and interim reporting periods within annual reporting periods beginning one year after the annual reporting period in which an entity first applies ASU No. 2014-09, as subsequently amended. Thereafter, the presentation and disclosure requirements in Topic 606, <i>Revenue from Contracts with Customers</i>, below should be followed. (ASC 606-10-65-1)</p> <p>The SEC staff would not object to a public business entity that otherwise would not meet the definition of a public business entity except for a requirement to include or the inclusion of its financial statements or financial information in another entity’s filing with the SEC adopting ASC Topic 606 for annual reporting periods beginning after December 15, 2018, and interim reporting</p>	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	<p>periods within annual reporting periods beginning after December 15, 2019. However, a public business entity that otherwise would not meet the definition of a public business entity except for a requirement to include or the inclusion of its financial statements or financial information in another entity's filing with the SEC may still elect to adopt ASC Topic 606 according to the public business entity effective dates discussed above. (ASC 606-10-S65-1)</p> <p><i>Note:</i> For purposes of the transition related to Topic 606, an entity should apply the guidance using one of the following two transition methods (ASC 606-10-65-1):</p> <ol style="list-style-type: none"> <li>1. <i>Retrospectively to each prior reporting period presented in accordance with the guidance on accounting changes in ASC paragraphs 250-10-45-5 through 45-10.</i> Under this transition method, the entity should provide the disclosures required in ASC paragraphs 250-10-50-1 through 50-2 in the period of adoption, except that an entity need not disclose the effect of the changes on the current period, which otherwise is required by ASC paragraph 250-10-50-1(b)(2). However, an entity should disclose the effect of the changes on any prior periods that have been retrospectively adjusted. In addition, under this method, the entity may elect any of the following practical expedients: <ol style="list-style-type: none"> <li>a. An entity need not restate contracts that begin and are completed within the same annual reporting period.</li> <li>b. For completed contracts that have variable consideration, an entity may use the transaction price at the date the contract was completed, rather than estimating variable consideration amounts in the comparative reporting periods.</li> <li>c. For all reporting periods presented before the date of initial application, an entity need not disclose the amount of the transaction price allocated to remaining performance obligations and an explanation of when the entity expects to recognize that amount as revenue (see ASC paragraph 606-10-50-13).</li> </ol> </li> </ol> <p>For contracts that were modified before the beginning of the earliest reporting period presented in accordance with Topic 606, an entity need not retrospectively restate the contract for those contract modifications in accordance with paragraphs 606-10-25-12 through 25-13. Instead, an entity should reflect the aggregate effect of all modifications that occur before the beginning of the earliest period presented in accordance with Topic 606 when: (1) identifying the satisfied and</p>	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	<p>unsatisfied performance obligations, (2) determining the transaction price, and (3) allocating the transaction price to the satisfied and unsatisfied performance obligations.</p> <p>For any of the foregoing practical expedients that an entity uses, the entity should apply that expedient consistently to all contracts within all reporting periods presented and should disclose: (a) the expedients that have been used, and (b) a qualitative assessment of the estimated effect of applying each of those expedients, to the extent reasonably possible.</p> <p><i>Retrospectively with the cumulative effect of initially applying Topic 606 recognized at the date of initial application.</i> Under this transition method, the entity (a) should recognize the cumulative effect of initially applying Topic 606 as an adjustment to the opening balance of retained earnings (or other appropriate components of equity in the balance sheet) of the annual reporting period that includes the date of initial application, and (b) may elect to apply the guidance retrospectively either to all contracts at the date of initial application or only to contracts that are not completed contracts at the date of initial application (e.g., January 1, 2018, for an entity with a December 31 year-end). The entity should disclose whether it has applied this guidance to all contracts at the date of initial application or only to contracts that are not completed at the date of initial application. Under this transition method, the entity may apply the practical expedient for contract modifications in item 1(d) above. If an entity applies the practical expedient for contract modifications in item 1(d) above, it should comply with the guidance for practical expedients discussed in item 1 above. In addition, under this method, the entity should disclose the nature of and reason for the change in accounting principle and provide the following disclosures in reporting periods that include the date of initial application:</p> <ol style="list-style-type: none"> <li>a. The amount by which each financial statement line item is affected in the current reporting period by the application of Topic 606 as compared to the guidance that was in effect before the change; and</li> <li>b. An explanation of the reasons for significant changes.</li> </ol> <p>For purposes of the transition guidance under both methods above, the date of initial application is the start of the reporting period in which an entity first applies Topic 606 and a completed contract is a contract for which all (or substantially all) of the revenue was recognized in accordance with revenue guidance that is in effect before the date of initial application.</p> <p>Have the following transitional disclosures related to ASC Topic 606 been made (ASC 606-10-65-1):</p> <p>If retrospective method of adoption to each prior reporting period is used, have the following items been disclosed:</p> <p>The disclosures required in ASC paragraphs 250-10-50-1 through 50-2 in the period of adoption? (See ASC Topic 250, <i>Accounting Changes and Error Corrections</i>)</p>	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	<p><i>Note:</i> An entity need not disclose the effect of the changes on the current period, which otherwise is required by ASC paragraph 250-10-50-1(b)(2). However, an entity should disclose the effect of the changes on any prior periods that have been retrospectively adjusted.</p> <p>If a practical expedient is used to adopt ASC Topic 606, the expedients that have been used and, to the extent reasonably possible, a qualitative assessment of the estimated effect of applying each of the expedients used?</p> <p>If the cumulative effect method of adoption is used:</p> <p>Has the cumulative effect of initially applying ASC Topic 606 been recognized as an adjustment to the opening balance of retained earnings (or other appropriate components of equity in the balance sheet) of the annual reporting period that includes the date of initial application?</p> <p>Has disclosure been made as to whether the guidance has been applied to all contracts at the date of initial application or only to contracts that are not completed at the date of initial application (e.g., January 1, 2018, for an entity with a December 31 year-end)?</p> <p>Have disclosures been made of the amount by which each financial statement line item is affected in the current reporting period by the application of ASC Topic 606 as compared to the guidance that was in effect before the change, and an explanation of the reasons for significant changes?</p> <p>Has disclosure been made of the nature of and reason for the change in accounting principle?</p>	
<p><b>Compensation – Stock Compensation (ASC 718)</b></p> <p><b>Income Taxes Related Matters</b></p>		
Added	<p>Added new Note and steps as follows:</p> <p><i>Note:</i> The presentation and disclosure requirements in item b below have been superseded by the amendments in ASU No. 2019-12, <i>Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes</i>, which is effective for public business entities for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. For all other entities, the requirements are effective for fiscal years beginning after December 15, 2021 and interim periods within fiscal years beginning after December 15, 2022. Thereafter, the presentation and disclosure requirements in item c below should be followed. Early adoption is permitted. (ASC 740-10-65-8)</p> <p>Have the tax benefit of tax-deductible dividends on allocated and unallocated ESOP shares been recognized in income taxes allocated to continuing operations? (ASC 718-740-45-7)</p>	
<p><b>Income Taxes (ASC 740)</b></p> <p><b>Overall</b></p>		
Modified	<p>Modified and added Notes and Steps as follows:</p> <p><i>Note:</i> The presentation and disclosure requirements in item 6 below are prescribed by ASU No. 2019-12, <i>Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes</i>, which is</p>	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	<p>effective for public business entities for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. For all other entities, the requirements are effective for fiscal years beginning after December 15, 2021 and interim periods within fiscal years beginning after December 15, 2022.</p> <p>Early adoption is permitted for:</p> <ol style="list-style-type: none"> <li>1. Public business entities for periods for which financial statements have not yet been issued.</li> <li>2. All other entities for periods for which financial statements have not yet been made available for issuance.</li> </ol> <p>An entity that elects early adoption of ASU No. 2019-12 in an interim period should reflect any adjustments as of the beginning of the annual period that includes that interim period. Additionally, an entity that elects early adoption should adopt all of the provisions of ASU No. 2019-12 in the same period.</p> <p>An entity should apply ASU No. 2019-12 as follows:</p> <ol style="list-style-type: none"> <li>1. On a retrospective basis for all periods presented for ASU No. 2019-12 related to the separate financial statements of legal entities that are both not subject to tax and disregarded by the taxing authority. Retrospective application is required only within the separate financial statements of those entities for which the election in ASU No. 2019-12 is made.</li> <li>2. On a modified retrospective basis through a cumulative-effect adjustment to retained earnings as of the beginning of the fiscal year of adoption of ASU No. 2019-12 related to changes in ownership of foreign equity method investments or foreign subsidiaries.</li> <li>3. On a retrospective basis for all periods presented or a modified retrospective basis through a cumulative-effect adjustment to retained earnings as of the beginning of the fiscal year of adoption of ASU No. 2019-12 related to franchise taxes that are partially based on income.</li> </ol> <p>On a prospective basis for all other amendments in ASU No. 2019-12. (ASC 740-10-65-8)</p> <p>Has an entity that is both not subject to tax and disregarded by the taxing authority that elects to include the allocated amount of current and deferred tax expense in its separately issued financial statements in accordance with ASC paragraph 740-10-30-27A disclosed that fact and provided the disclosures required by item 5 above? (ASC 740-10-50-17A)</p> <p><i>Note:</i> The presentation and disclosure requirements in item 7 below are prescribed by ASU No. 2016-16, <i>Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory</i>, which</p>	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	<p>is effective on a modified retrospective basis for public business entities for annual periods beginning after December 15, 2017, and interim periods within those annual periods. For all other entities, the requirements are effective on a modified retrospective basis for annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. Early adoption is permitted as of the beginning of an annual period for which financial statements (interim or annual) have not been issued or made available for issuance. (ASC 740-10-65-5)</p> <p><i>Note:</i> The presentation and disclosure requirements in item 8 below are prescribed by ASU No. 2019-12, <i>Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes</i>, which is effective for public business entities for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. For all other entities, the requirements are effective for fiscal years beginning after December 15, 2021 and interim periods within fiscal years beginning after December 15, 2022. (ASC 740-10-65-8)</p> <p>Have the following transitional disclosures related to the adoption of ASU No. 2019-12 been made in the first fiscal year of adoption and in the interim periods within the first fiscal year of adoption (ASC 740-10-65-8):</p> <ol style="list-style-type: none"> <li>1. The nature of and reason for the change in accounting principle?</li> <li>2. The transition method?</li> <li>3. A qualitative description of the financial statement line items affected by the change?</li> </ol>	
<b>Fair Value Measurements and Disclosures (ASC 820)</b>		
Added	<p>Added new Notes as follows:</p> <p><i>Note:</i> These disclosure requirements do not apply to an investment within the scope of ASC paragraphs 820-10-15-4 through 15-5 for which fair value is measured using net asset value per share (or its equivalent, e.g., member units or an ownership interest in partners' capital to which a proportionate share of net assets is attributed) as a practical expedient, in accordance with ASC paragraph 820-10-35-59. (ASC 820-10-50-2)</p> <p><i>Note:</i> The presentation and disclosure requirements in item 7 below are prescribed by ASU No. 2020-01, <i>Investments—Equity Securities (Topic 321), Investments—Equity Method and Joint Ventures (Topic 323), and Derivatives and Hedging (Topic 815): Clarifying the Interactions between Topic 321, Topic 323, and Topic 815</i>, which is effective for public business entities for fiscal years and interim periods within those fiscal years, beginning after December 15, 2020. For all other entities, the requirements are effective for fiscal years and interim periods within those fiscal years, beginning after December 15, 2021.</p> <p>Early adoption is permitted, including early adoption in an interim period for:</p>	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	<p>1. Public business entities for periods for which financial statements have not yet been issued.</p> <p>2. All other entities for periods for which financial statements have not yet been made available for issuance.</p> <p>An entity should apply ASU No. 2020-01 prospectively at the beginning of the interim period that includes the adoption date. (ASC 825-10-65-6)</p> <p>Have the following transitional disclosures related to the adoption of ASU No. 2020-01 been made in the interim and annual periods of adoption (ASC 825-10-65-6):</p> <p>The nature of and reason for the change in accounting principle?</p> <p>The transition method?</p> <p>A qualitative description of the financial statement line items affected by the change?</p>	
<b>Reference Rate Reform (ASC 848)</b>		
New	<p>New Section with following steps:</p> <p><i>Note:</i> The presentation and disclosure requirements in items 1 and 2 below are prescribed by ASU No. 2020-04, <i>Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting</i>, which is effective for all entities as of March 12, 2020 through December 31, 2022. (ASC 848-10-65-1)</p> <p><i>Note:</i> For purposes of transition related to ASC Topic 848, an entity should apply the guidance in items 1 and 2 below as follows: (<a href="#">ASC 848-10-65-1</a>)</p> <p>An entity may elect to apply ASU No. 2020-04 for contract modifications by ASC Topic or Industry Subtopic as of any date from the beginning of an interim period that includes or is subsequent to March 12, 2020, or prospectively from a date within an interim period that includes or is subsequent to March 12, 2020, up to the date that the financial statements are available to be issued. Once elected for an ASC Topic or an Industry Subtopic, ASU No. 2020-04 should be applied prospectively for all eligible contract modifications for that ASC Topic or Industry Subtopic in accordance with ASC paragraph 848-20-35-1.</p> <p>An entity may elect to apply ASU No. 2020-04 to eligible hedging relationships existing as of the beginning of the interim period that includes March 12, 2020 and to new eligible hedging relationships entered into after the beginning of the interim period that includes March 12, 2020.</p> <p>If an entity elects to apply any of the provisions of ASU No. 2020-04 for an eligible hedging relationship existing as of the beginning of the interim period that includes March 12, 2020, any</p>	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	<p>adjustments as a result of those elections should be reflected as of the beginning of that interim period and recognized in accordance with ASC Subtopics 848-30, 848-40, and 848-50 (as applicable). If an entity elects to apply any of the provisions of ASU No. 2020-04 for a new hedging relationship entered into between the beginning of the interim period that includes March 12, 2020 and March 12, 2020, any adjustments as a result of those elections should be reflected as of the beginning of the hedging relationship and recognized in accordance with ASC Subtopics 848-30, 848-40, and 848-50 (as applicable).</p> <p>For private companies that are not financial institutions as described in ASC paragraph 942-320-50-1 and not-for-profit entities (except for not-for-profit entities that have issued, or are a conduit bond obligor for, securities that are traded, listed, or quoted on an exchange or an over-the-counter market), an entity should update its hedge documentation (as applicable) noting the changes made before the next interim (if applicable) or annual financial statements are available to be issued.</p> <p>For all other entities, an entity should update its hedge documentation (as applicable) noting the changes made no later than when the entity performs its first quarterly assessment of effectiveness after the election.</p> <p><i>Note:</i> ASU No. 2020-04 should not be applied to all the following: (ASC 848-10-65-1)</p> <ol style="list-style-type: none"> <li>1. Contract modifications made after December 31, 2022.</li> <li>2. New hedging relationships entered into after December 31, 2022.</li> <li>3. Hedging relationships evaluated for periods after December 31, 2022, except for hedging relationships existing as of December 31, 2022, that apply the following optional expedients in ASC Subtopics 848-30 and 848-40 that should be retained through the end of the hedging relationship (including for periods evaluated after December 31, 2022): <ol style="list-style-type: none"> <li>a. An optional expedient to the systematic and rational method used to recognize in earnings the components excluded from the assessment of effectiveness in ASC paragraph 848-30-25-12.</li> <li>b. An optional expedient to the rate to discount cash flows associated with the hedged item and any adjustment to the cash flows for the designated term or the partial term of the designated hedged item in a fair value hedge in ASC paragraph 848-40-25-6.</li> <li>c. An optional expedient to not periodically evaluate the conditions in ASC paragraph 815-20-25-104(d) and (g) when using the shortcut method for a fair value hedge in ASC paragraph 848-40-25-8.</li> </ol> </li> </ol>	



Type of Change	Description of Change	Roll Forward and Update Content Considerations
	<p><i>Note:</i> An entity may elect the optional expedients in ASC Subtopics 848-30, 848-40, and 848-50 if it has adopted the amendments in ASU No. 2017-12, <i>Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities</i>. (ASC 848-10-65-1)</p> <p>An entity that has not adopted the amendments in ASU No. 2017-12 may elect the following optional expedients in ASC Subtopics 848-30, 848-40, and 848-50:</p> <ol style="list-style-type: none"> <li>1. An optional expedient allowing changes in critical terms of a hedging relationship in ASC paragraphs 848-30-25-3 through 25-7.</li> <li>2. An optional expedient allowing a change to the method designated for use in assessing hedge effectiveness in a cash flow hedge in ASC paragraph 848-30-25-8 if the optional expedient method being elected is the simplified hedge accounting approach for eligible private companies for initial hedge effectiveness in ASC paragraph 848-50-25-8 or for subsequent hedge effectiveness in ASC paragraph 848-50-35-7.</li> <li>3. An optional expedient allowing an entity to assume that the hedged forecasted transaction in a cash flow hedge is probable of occurring in ASC paragraph 848-50-25-2.</li> <li>4. An optional expedient allowing an entity to assume that the reference rate will not be replaced for the remainder of the hedging relationships in ASC paragraph 848-50-25-11(a) for initial hedge effectiveness and ASC paragraph 848-50-35-17(a) for subsequent hedge effectiveness when the entity is using any of the methods for assessing and measuring hedge effectiveness in a cash flow hedge on a quantitative basis and if both the hedged forecasted transaction and the hedging instrument have a reference rate that meets the scope of ASC paragraph 848-10-15-3.</li> <li>5. An optional expedient allowing an entity to disregard certain requirements of the simplified hedge accounting approach for eligible private companies for initial hedge effectiveness in ASC paragraph 848-50-25-8 or for subsequent hedge effectiveness in ASC paragraph 848-50-35-7 in a cash flow hedge.</li> </ol> <p><i>Note:</i> The one-time election to sell, transfer, or both sell and transfer debt securities classified as held to maturity in accordance with ASC paragraphs 848-10-35-1 through 35-2 may be made at any time after March 12, 2020, but no later than December 31, 2022. (ASC 848-10-65-1)</p> <p>Has an entity that has applied the one-time election to sell, transfer, or both sell and transfer debt securities classified as held to maturity in accordance with ASC paragraphs 848-10-35-1 through</p>	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	<p>35-2 applied the disclosure requirements in ASC paragraph 320-10-50-10 for the sale or transfer of debt securities classified as held to maturity? (ASC 848-10-50-1)</p> <p>Have the nature of and reason for the change in accounting principle related to the adoption of ASU No. 2020-04 been made in each interim and annual period in the fiscal period of adoption? (ASC 848-10-65-1)</p>	

**Audit Programs (AUDs)**

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
<b>AUD-100 Engagement-Level Tailoring Questions</b>					
Added	<p>New TQ, “Is the auditor engaged to report on Key Audit Matters?”.</p> <p>Please review KCO-003 Answer Effects for the Engagement-Level Tailoring Questions Workpaper for all show/hide based on this new TQ.</p>	TQ Table			
Added	<p>New TQ, “Was the current year audit an ERISA section 103(a)(3)(C) audit?”</p> <p>Please review KCO-003 Answer Effects for the Engagement-Level Tailoring Questions Workpaper for all show/hide based on this new TQ.</p>	TQ Table			
Modify	<p>Modified Audit Area, “Investments (Non-Certified/Full Scope Audit)” to “Investments (Non-Certified/ERISA Plan Audit).”</p> <p>This will retain on roll forward by selecting to keep all responses in AUD-100 and will continue to flow to other workpapers.</p>				This will retain on roll forward by selecting to keep all responses in AUD-100 and will continue to flow to other workpapers.
<b>AUD-101 Overall Audit Program</b>					
Added	<p>New TQ, “Is the auditor engaged to report on Key Audit Matters?” which will flow from AUD-100.</p>	TQ Table			

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	Please review KCO-003 Answer Effects for the Engagement-Level Tailoring Questions Workpaper for all functioning of this new TQ.				
Added	New TQ, “Was the current year audit an ERISA section 103(a)(3)(C) audit?” which will flow from AUD-100.  Please review KCO-003 Answer Effects for the Engagement-Level Tailoring Questions Workpaper for all show/hide based on this new TQ.	TQ Table			
Modified	Updated multiple practice points for SAS Nos. 134 – 140.	Procedures	New or Revised Guidance	SAS Nos. 134 - 140	
Modified	Throughout document, updated references to “financial statements” to include the disclosures.	Procedures	New or Revised Guidance	SAS No. 134	
Added	Under “Preliminary Engagement Activities” added step 13 and 18 for 11-K audits which reads as follows:  For audits of plans that file a Form 11-K, prepare and issue our annual communication to the audit committee, in writing, of all relationships between our firm and any affiliates and the entity and its related entities or persons in financial reporting oversight roles at the entity that may reasonably be thought to impair our independence, prior to accepting or continuing an engagement as auditor.	Procedures	Enhancement		
Added	Under “Preliminary Engagement Activities” added step 18 for 11-K audits which reads as follows:  For audits of plans that file a Form 11-K, discuss with the audit committee any significant issues we have discussed with management in connection with our appointment or retention as the auditor, if any, including significant discussions regarding the application of accounting principles and auditing standards.	Procedures	Enhancement		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
Added	<p>Under “Risk Assessment Procedures: Obtaining an Understanding of the Plan and its Environment” added step 29 which was previously a practice point and reads as follows:</p> <p>Obtain and read the most current plan instrument for the audit period, including effective amendments</p>	Procedures	New or Revised Guidance	SAS No. 136	
Modified	<p>Under “Risk Assessment Procedures: Obtaining an Understanding of the Entity and its Environment” modified step which now reads:</p> <ol style="list-style-type: none"> <li>1. Obtain an understanding of the entity’s business purpose (or lack thereof) for significant unusual transactions and whether that suggests the transactions may have been entered into to engage in fraudulent financial reporting or conceal misappropriation of assets. In obtaining such an understanding, consider the following: <ol style="list-style-type: none"> <li>e. Whether the structure of such transactions is unnecessarily complex (e.g., involving multiple entities within a consolidated group or unrelated third parties).</li> <li>f. Whether management has informed those charged with governance about the nature of and accounting for such transactions.</li> <li>g. Whether management is emphasizing the need for a particular accounting treatment over the economic substance of the transaction.</li> <li>h. Whether those charged with governance have reviewed and approved transactions that involve unconsolidated related parties.</li> <li>i. Whether the transactions involve related parties or relationships or transactions with related parties previously undisclosed to the auditor.</li> <li>j. Whether transactions involve other parties that are unable to support the transaction without assistance from the entity being audited or any related party of the entity.</li> </ol> </li> </ol>	Procedures	New or Revised Guidance	SAS No. 135	Step will reset on roll forward based on content changes.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<ul style="list-style-type: none"> <li>k. Whether transactions lack commercial or economic substance or are part of a larger series of interconnected arrangements that lack commercial or economic substance individually or in the aggregate (e.g., a transaction is entered into shortly prior to period end and is unwound shortly after period end).</li> <li>l. Whether transactions occur with a party that falls outside the definition of a related party (as defined by the applicable financial reporting framework), with either party able to negotiate terms that may not be available for other, more clearly independent parties on an arm's-length basis.</li> <li>m. Whether transactions exist to enable the entity to achieve certain financial targets.</li> </ul>				
Modified	<p>Under “Risk Assessment Procedures: Obtaining an Understanding of the Entity and its Environment” modified step which now reads:</p> <p>Review the minutes from board of directors’ meetings, other relevant committee meetings, and summaries of actions of recent meetings for which minutes have not yet been prepared.</p>	Procedures	New or Revised Guidance	SAS No. 135	Step will retain on roll forward is user selects to keep all responses on roll forward.
Modified	<p>Under “Risk Assessment Procedures: Obtaining an Understanding of the Entity and its Environment” modified step which now reads:</p> <p>Identify and document relevant assertions and relevant related controls for the following:</p> <ul style="list-style-type: none"> <li>a. Significant classes of transactions;</li> <li>b. Significant account balances; and</li> <li>c. Significant financial statement disclosures (both the qualitative and quantitative aspects) and disclosure expectations.</li> </ul>	Procedures	New or Revised Guidance	SAS No. 134	Step will retain on roll forward is user selects to keep all responses on roll forward.
Modified	<p>Under “Risk Assessment Procedures: Obtaining an Understanding of the Entity and its Environment” modified step which now reads:</p>	Procedures	New or Revised Guidance	SAS No. 135	Step will retain on roll forward is user selects to keep all responses on roll forward.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>Identify and document the following:</p> <ul style="list-style-type: none"> <li>a. Potential litigation and claims;</li> <li>b. Commitments and contingencies;</li> <li>c. Concentrations of risk;</li> <li>d. Related-party transactions and relationships, including ownership structure;</li> <li>e. Significant management estimates and judgments;</li> <li>f. New or significant accounting issues; and</li> <li>g. Other areas requiring special audit consideration.</li> </ul>				
Added	<p>Under “Risk Assessment Procedures: Obtaining an Understanding of the Plan and its Environment” added step for 11-K audits which reads as follows:</p> <p>For audits of plans that file a Form 11-K, communicate with the audit committee any significant changes to the planned audit strategy or the significant risks initially identified and the reasons for such changes, if any.</p>	Procedures	Enhancement		
Modified	<p>Under “Risk Assessment Procedures: Evaluating the Design of Internal Controls” modified step which now reads:</p> <p>Perform risk assessment procedures at the relevant assertion-level to identify and assess the risks of material misstatement for all significant account balances, classes of transactions, and both the qualitative and quantitative aspects of disclosures; including consideration of information technology (IT) and “what could go wrong,” taking into account activity-level controls.</p>	Procedures	New or Revised Guidance	SAS No. 134	Step will retain on roll forward is user selects to keep all responses on roll forward.
Modified	<p>Under “Designing Audit Procedures in Response to Assessed Risks” modified step which now reads:</p> <p>Design further audit procedures to respond to the assessed risks of material misstatement at the relevant assertion level, including the risks of management override of internal controls and intentional misstatement, providing a clear link between the nature, timing, and extent of audit procedures</p>	Procedures	New or Revised Guidance	SAS No. 134	Step will retain on roll forward is user selects to keep all responses on roll forward.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>and the risk assessments due to fraud or error. The further audit procedures must address all relevant assertions related to each significant account balance, class of transactions, and disclosure, as well as the financial statement closing process and should take into consideration the reasons for the assessed risk of material misstatement at the assertion level. Procedures may include:</p>				
Modified	<p>Under “Evaluating, Concluding and Reporting Procedures” modified step which now reads:</p> <p>Reevaluate the established materiality level or levels, including performance materiality, and tolerable misstatement when due to changes in circumstances or when information comes to the auditor’s attention, such as:</p> <ul style="list-style-type: none"> <li>a. Materiality level or levels, including performance materiality, and tolerable misstatement were established initially based on estimated or preliminary financial statement amounts that differ significantly from actual amounts.</li> <li>b. Events or changes in conditions occurring after the materiality level or levels, including performance materiality, or tolerable misstatement were established initially are likely to influence the judgment made by a reasonable user based on the financial statements.</li> </ul>	Procedures	New or Revised Guidance	SAS No. 138	Step will retain on roll forward is user selects to keep all responses on roll forward.
Added	<p>Under “Evaluating, Concluding and Reporting Procedures” added step which reads as follows:</p> <p>Evaluate items identified during audit procedures that are not in accordance with the criteria specified (for example, not in accordance with the plan instrument) to determine if the matters are reportable findings.</p> <p>Practice Point: Reportable findings are matters that are one or more of the following: (a) an identified instance of noncompliance or suspected noncompliance with laws or regulations in accordance with AU-C section 250, <i>Consideration of Laws and Regulations in an Audit of Financial Statements</i>; (b) a finding arising from the audit that is, in the auditor’s professional judgement, significant and relevant to those charged with governance regarding their responsibility to oversee the financial reporting process in accordance with AU-C section 260, <i>The Auditor’s Communication With Those Charged with Governance</i> (c) an indication of deficiencies in internal control</p>	Procedures	New or Revised Guidance	SAS No. 136	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>identified during the audit that have not been communicated to management by other parties and that, in the auditor's professional judgement, are of sufficient importance to merit management's attention in accordance with AU-C section 265, <i>Communicating internal control Related Matters Identified in an Audit</i>.</p> <p>When evaluating whether a matter identified during the audit meets one or more of the requirements of AU-C sections 250, 260, or 265 and is a reportable finding, the auditor may consider the following (not an all-inclusive list):</p> <ul style="list-style-type: none"> <li>a. What gave rise to the issue or finding, such as an operational error resulting from testing the provisions of the plan instrument or a financial reporting disclosure misstatement.</li> <li>b. How the issue or finding was identified and corrected. Was the issued identified timely and corrected by management as part of their internal control process or corrected under available regulatory correction programs.</li> <li>c. The nature of the issue or finding including (1) was the error or noncompliance matter affected a significant or limited number of participants; (2) has there been a history of operational or compliance matters, or the error is a recurring matter; or (3) whether there are several smaller issues indicative of a potential more significant issue.</li> </ul> <p>Whether the issue or finding is indicative of a lack of one or more of the following: (1) oversight and monitoring of plan operations and service providers; (2) reporting expertise; (3) understanding of the plan or events affecting the plan.</p>				
Modified	<p>Under "Evaluating, Concluding and Reporting Procedures" modified step which now reads as follows:</p> <p>Complete the audit by:</p> <ul style="list-style-type: none"> <li>a. Documenting differences of opinion among firm personnel and those consulted, if any, that have been dealt with in accordance with firm policies and procedures.</li> <li>b. To the extent not already done, documenting consultations with others held to resolve technical or other sensitive matters.</li> <li>c. Resolving all pending matters.</li> <li>d. Ensuring that all reviews have been completed and documented. Including reviewing a copy of a substantially complete draft of the Form 5500.</li> </ul>	Procedures	New or Revised Guidance	SAS No. 136	



Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<ul style="list-style-type: none"> <li>e. Obtaining all documentation necessary to release the auditor's report.</li> <li>f. Completing any required communications with group/component auditors, successor/predecessor auditors, or regulators or other parties requiring access to the audit documentation.</li> <li>g. Finalizing any firm-administrative items, such as budgets or evaluations.</li> <li>h. Performing a file check to ensure all review notes are cleared and audit documentation has been reviewed.</li> </ul>				
Add	<p>Under "Evaluating, Concluding and Reporting Procedures" added step which reads:</p> <p>If engaged to report on key audit matters, select and document, from among the matters communicated with those charged with governance that required significant auditor attention, those matters that, in the auditor's judgment, were of most significance in the audit of the financial statements of the current period and that, therefore, are the key audit matters.</p> <p>Step will show/hide based on new TQ, noted above.</p>	Procedures	New or Revised Guidance	SAS No. 134	
<b>AUD-201 Audit Program: Opening Balances and Additional Audit Procedures for an Initial or Reaudit Engagement</b>					
Added	<p>Added two new TQs, that flow from AUD-100:</p> <p>Is this a new or recurring engagement?</p> <p>Was the current year audit an ERISA section 103(a)(3)(C) audit?</p> <p>Is the auditor engaged to report on Key Audit Matters?</p> <p>Please review KCO-003 Answer Effects for the Engagement-Level Tailoring Questions Workpaper for all functioning of this new TQ.</p>	TQ Table			
Modify	Minor wording changes	Purpose, Instructions	Clarification		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
Modify	Modified instructions to discuss significant unusual transactions	Instructions	New or Revised Guidance	SAS No. 135	
Add	<p>Added step 1 under “accepting the engagement” which reads as follows:</p> <p>In accepting the engagement, we have considered:</p> <ul style="list-style-type: none"> <li>a. Arrangements to be made with the predecessor auditor (e.g., to review the predecessor auditor's audit workpapers);</li> <li>b. Any major issues discussed with management or those charged with governance regarding the initial selection as auditors and how these issues affect the overall audit strategy and audit plan;</li> <li>c. The assignment of personnel possessing the appropriate characteristics and qualifications to enable them to perform competently and to successfully execute the engagement;</li> <li>d. Other procedures required by the firm's quality control system for initial audit engagements (e.g., the involvement of another senior individual to review the overall audit strategy before starting the audit or to review the audit report before it is issued); and</li> <li>e. The procedures planned to obtain audit evidence regarding opening balances.</li> </ul> <p>This new step will show if the new TQ flowing into this form, “Is this a new or recurring engagement?” is answered as “New” in AUD-100.</p>	Procedures	Clarification		
Modify	Reorganized many steps to improve workflow.	Procedures	Improved workflow		
Add	Added step “No Predecessor Auditor” with specific procedures that may be performed in new engagements when there is no predecessor auditor, replacing the existing generic step.	Procedures	Enhancement		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
Modify	<p>Split step 11 under “Predecessor Auditor” (previously step 6) into two steps which read as follows:</p> <p>We reviewed the predecessor auditor’s report on the financial statements and other reports and documents as necessary (such as the management letter or communication of significant deficiencies in internal control, attorney response letters to audit inquiries, and the management representation letter).</p> <p>We reviewed the predecessor auditor’s permanent file documents that are pertinent to the audit (such as articles of incorporation, partnership agreements and other significant agreements, and legal documents).</p>	Procedures			The first step will retain on roll forward if user selects to keep all responses on roll forward. The second step is considered new.
Add	<p>Added step regarding key audit matters:</p> <p>If we are engaged to report on key audit matters and we encountered significant difficulty in obtaining sufficient appropriate audit evidence about whether the opening balances contain misstatements that materially affect the current period’s financial statements, we determined whether the issue is a key audit matter that requires communication in the auditor’s report.</p> <p>Step will show based on new TQ, noted above.</p>	Procedures	New or Revised Guidance	SAS No. 134	
<b>AUD-202 Audit Program: Planning the Employee Benefit Plan Audit</b>					
Modify	Modified references to “Full Scope” and “ERISA Section 103(a)(3)(C)” audits throughout.	Procedures	New or Revised Guidance	SAS No. 136	
<b>AUD-601 Audit Program: Testing and Evaluating Internal Auditors Work</b>					
Modify	<p>Under “Section I: Using the work of the Internal Audit Function in Obtaining Audit Evidence” modified step 6 which now reads as follows:</p> <p>We performed additional procedures on the work performed by internal audit sufficient to determine whether the work</p>	Procedures	New or Revised Guidance	SAS No. 135	Step will retain on roll forward if user selects to keep all responses on roll forward.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>was adequate for the purpose of the engagement. Additional procedures may include the following:</p> <ul style="list-style-type: none"> <li>• Making inquiries of appropriate individuals within the internal audit function, including inquiries about the risks of fraud and whether they are aware if the entity has entered into any significant unusual transactions.</li> <li>• Observing procedures performed by the internal audit function.</li> <li>• Reviewing the internal audit function’s work program and working papers.</li> </ul>				
<b>AUD-602 Audit Program: Involvement of a Component Auditor</b>					
Modify	<p>Under “Communications with the Component Auditor” modified step 5g, which now reads as follows:</p> <p>We communicated with the component auditor, as part of our instructions, the following (not all inclusive):</p> <p>A list of related parties prepared by group management, and any other related parties that we are aware of, including the nature of the entity's relationships and transactions with those related parties. Also, a request that the component auditor notify us when he or she becomes aware of any other related party entities during his or her audit procedures that have not been previously identified.</p>	Procedures	New or Revised Guidance	SAS No. 135	Step will retain on roll forward if user selects to keep all responses on roll forward.
<b>AUD-603 Audit Program: Using the Work of an Auditor’s Specialist</b>					
Modify	Updated Purpose and instructions based on new guidance for 11-K audits	Purpose, Instructions	New or Revised Guidance	AS 1210; PCAOB Staff Guidance, <i>Supervising or Using the Work of an Auditor’s Specialist</i>	
Added	New TQ, “Does your plan have an 11k filing with the SEC?”				

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	Please review KCO-003 Answer Effects for the Engagement-Level Tailoring Questions Workpaper for all functioning of this new TQ.				
Modify	Renamed sections, added sections, rearranged steps, and added steps for 11-K audits to better adhere to revised PCAOB guidance regarding auditor-engaged specialists and supervising auditor-employed specialists.	Procedures	New or Revised Guidance	AS 1210 PCAOB Staff Guidance, <i>Supervising or Using the Work of an Auditor's Specialist</i>	New sections regarding 11k audits are considered new and other steps will be retained.
<b>AUD-604 Audit Program: Using the Work of an Management's Specialist</b>					
Modify	Updated Purpose and instructions based on new guidance for 11-K audits	Purpose, Instructions	New or Revised Guidance	Appendix A to AS 1105, <i>Audit Evidence</i> ; PCAOB Staff Guidance, <i>Using the Work of a Company's Specialist</i>	
Added	New TQ, "Does your plan have an 11k filing with the SEC?"  Please review KCO-003 Answer Effects for the Engagement-Level Tailoring Questions Workpaper for all functioning of this new TQ.				
Modify	Renamed sections, added sections, rearranged steps, and added steps for 11-K audits to better adhere to revised PCAOB guidance regarding company specialists	Procedures	New or Revised Guidance	Appendix A to AS 1105; PCAOB Staff Guidance, <i>Using the Work of a Company's Specialist</i>	New sections regarding 11k audits are considered new and other steps will be retained.
<b>AUD-701 Audit Program: Designing Tests of Controls</b>					
Modify	Updated purpose with examples of circumstances when risks for substantive procedures alone cannot provide sufficient appropriate audit evidence at the relevant assertion level.	Purpose	Enhancement		
<b>AUD-800 Audit Program: Custom through AUD-823 Audit Program:</b>					

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
Modify	Modified instructions to provide additional guidance related to specific risks and assertion level risks.	Instructions			
<b>AUD-801 Audit Program: Cash</b>					
Added	New TQ, "Was the current year audit an ERISA section 103(a)(3)(C) audit?"  Please review KCO-002 Answer Effects for the Engagement-Level Tailoring Questions Workpaper for all functioning of this new TQ.				
<b>AUD-802 Audit Program: Investments (Non-Certified/ERISA Plan Audit)</b>					
Modify	Update workpaper name and audit area in AUD-100.				
<b>AUD-803 Audit Program: Employer and Employee Contributions Received and Contributions Receivable</b>					
Add	Added step "True-up Contributions"	Procedures			
<b>AUD-807 Audit Program: Debt Obligations</b>					
Modify	Minor wording changes	Procedures			
<b>AUD-808 Audit Program: Other Income and Operating Expenses</b>					
Modify	Modified step "Related Parties" to include inquiries of others within the entity and understanding the business purpose for the transaction.	Procedures	New or Revised Guidance	SAS No. 135	Step will retain on roll forward if user selects to keep all responses on roll forward.
<b>AUD-812 Audit Program: Journal Entries</b>					
Modify	Modified substep g under "Testing of Journal Entries and Other Adjustments" which now reads as follows:  We selected and tested journal entries and other adjustments by obtaining supporting documentation of the nature and purpose of the journal entry, including whether the entry was properly authorized. In determining the items selected for testing and the nature, timing, and extent of such testing, we considered the following:  Unusual journal entries or other adjustments processed.	Procedures	New or Revised Guidance	SAS No. 135	Step will be reset on roll forward due to content changes.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
<b>AUD-813 Audit Program: Other Income and Expense</b>					
Modify	Modified the following steps for new requirements: <ul style="list-style-type: none"> <li>• “Existence of Related Parties”</li> <li>• “Significant Unusual Transactions Identified”</li> <li>• “Related-Party Transactions Required to Be Disclosed or Determined to Be a Significant Risk” (previously “Transactions Outside the Normal Course of Business”)</li> <li>• “Arrangements or Information That Suggests the Existence of Related-Party Relationships”</li> <li>• “Related-Party Transactions, Identified”</li> <li>• “Those Charged with Governance”</li> </ul>	Procedures	New or Revised Guidance	SAS No. 135	Many steps will reset on roll forward due to content changes.
<b>AUD-816 Audit Program: Fair Value Measurements and Disclosures</b>					
Add	New Practice Point in instructions as follows: <b>Practice Alert for 11-K filers:</b> In December 2018, the PCAOB adopted new requirements for auditing accounting estimates and the fair value of financial instruments, included in the revised and retitled AS 2501, <i>Auditing Accounting Estimates, Including Fair Value Measurements</i> . Appendix A of AS 2501 (Revised) provides specific requirements when auditing the fair value of financial instruments, primarily when pricing information is obtained from third parties. It applies when the auditor uses third-party pricing information to develop an independent expectation, as well as when the auditor evaluates third-party pricing information used by the company.  This standard and the related amendments rescind AS 2502, <i>Auditing Fair Value Measurements and Disclosures</i> , AS 2503, <i>Auditing Derivative Instruments, Hedging Activities, and Investments in Securities</i> , and Auditing Interpretation (AI) 16, <i>Auditing Accounting Estimates: Auditing Interpretations of AS 2501</i> , but build on the common approaches in the rescinded standards. The approach to auditing the fair value of financial instruments based on third-party pricing information under the specific requirements in Appendix A of AS 2501 (Revised) consists of identifying and assessing the risks of material misstatement associated with the valuation of financial instruments, and performing procedures to determine whether the pricing information provides sufficient appropriate evidence to respond to those risks. The risks of material misstatement and the specific procedures depend on the nature of the financial instruments and the pricing information.				

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>The requirements are effective for audits of financial statements for fiscal years ending on or after December 15, 2020.</p> <p><b>Practice Alert for 11-K filers:</b> In December 2018, the PCAOB adopted amendments related to the auditor's use of the work of specialists. The new requirements can be found in Appendix C to AS 1201, <i>Supervision of the Audit Engagement</i> (when using the work of an auditor-employed specialist as audit evidence) and AS 1210, <i>Using the Work of an Auditor-Engaged Specialist</i> (when using the work of an auditor-engaged specialist as audit evidence). New requirements for when an auditor uses the work of a company's specialists as audit evidence are included in Appendix A to AS 1105, <i>Audit Evidence</i>, which supplements existing requirements in AS 1105.</p> <p>The new requirements for using the work of specialists are intended to enhance investor protection by strengthening the requirements for evaluating the work of a company's specialist, whether employed or engaged by the company, and requiring the auditor to apply a supervisory approach to both auditor-employed and auditor-engaged specialists. They are designed to be risk-based and scalable, so that the auditor's work effort to evaluate the specialist's work is commensurate with the risk of material misstatement associated with the financial statement assertion to which the specialist's work relates and the significance of the specialist's work to that assertion.</p> <p>The new requirements for using the work of specialists are effective for audits of financial statements for fiscal years ending on or after December 15, 2020.</p>				
Add	<p>New TQ, "Does your plan have an 11k filing with the SEC?" which will flow from AUD-100.</p> <p>Please see KCO-002 Answer Effects for the Program Step Library for further details on the Mark N/A regarding this tailoring question.</p>				
Modify	<p>Modified step "Third-Party Pricing Agency" with additional procedures the auditor may perform.</p>	Procedures	New or Revised Guidance + Enhancements	AS 2501 (Revised)	
Modify	<p>Modified step "External Pricing Specialist Not Used" (Previously "External Pricing Specialist") with additional procedures the auditor may perform.</p>	Procedures	Enhancement		



Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
Add	Added step “External Pricing Specialist Not Used – Additional Considerations when Auditing a Plan that Files a Form 11-K” to address revised requirements.	Procedures	New or Revised Guidance	AS 2501 (Revised)	
<b>AUD-818 Audit Program: Accounting Estimates</b>					
Add	<p>New Practice Point in instructions as follows:</p> <p><b>Practice Alert for 11-K filers:</b> In December 2018, the PCAOB adopted new requirements for auditing accounting estimates and the fair value of financial instruments, included in the revised and retitled AS 2501, <i>Auditing Accounting Estimates, Including Fair Value Measurements</i>. Appendix A of AS 2501 (Revised) provides specific requirements when auditing the fair value of financial instruments, primarily when pricing information is obtained from third parties. It applies when the auditor uses third-party pricing information to develop an independent expectation, as well as when the auditor evaluates third-party pricing information used by the company.</p> <p>This standard and the related amendments rescind AS 2502, <i>Auditing Fair Value Measurements and Disclosures</i>, AS 2503, <i>Auditing Derivative Instruments, Hedging Activities, and Investments in Securities</i>, and Auditing Interpretation (AI) 16, <i>Auditing Accounting Estimates: Auditing Interpretations of AS 2501</i>, but build on the common approaches in the rescinded standards. The approach to auditing the fair value of financial instruments based on third-party pricing information under the specific requirements in Appendix A of AS 2501 (Revised) consists of identifying and assessing the risks of material misstatement associated with the valuation of financial instruments, and performing procedures to determine whether the pricing information provides sufficient appropriate evidence to respond to those risks. The risks of material misstatement and the specific procedures depend on the nature of the financial instruments and the pricing information.</p> <p>The requirements are effective for audits of financial statements for fiscal years ending on or after December 15, 2020.</p> <p><b>Practice Alert for 11-K filers:</b> In December 2018, the PCAOB adopted amendments related to the auditor’s use of the work of specialists. The new requirements can be found in Appendix C to AS 1201, <i>Supervision of the Audit Engagement</i> (when using the work of an auditor-employed specialist as audit evidence) and AS 1210, <i>Using the Work of an Auditor-Engaged Specialist</i> (when using the work of an auditor-engaged specialist as audit evidence). New requirements for when an auditor uses the work of a company’s specialists as audit evidence are included in Appendix A to AS 1105, <i>Audit Evidence</i>, which supplements existing requirements in AS 1105.</p>				

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>The new requirements for using the work of specialists are intended to enhance investor protection by strengthening the requirements for evaluating the work of a company's specialist, whether employed or engaged by the company, and requiring the auditor to apply a supervisory approach to both auditor-employed and auditor-engaged specialists. They are designed to be risk-based and scalable, so that the auditor's work effort to evaluate the specialist's work is commensurate with the risk of material misstatement associated with the financial statement assertion to which the specialist's work relates and the significance of the specialist's work to that assertion.</p> <p>The new requirements for using the work of specialists are effective for audits of financial statements for fiscal years ending on or after December 15, 2020.</p>				
Modify	<p>Added TQs, "Have we identified management bias?" and "Does your plan have an 11k filing with the SEC?".</p> <p>Please see KCO-002 Answer Effects for the Program Step Library for further details on the Mark N/A regarding this tailoring question.</p>	TQ Table			
Modify	<p>Modified the following steps based on guidance from the Center for Audit Quality (CAQ):</p> <ul style="list-style-type: none"> <li>• "Estimates, Including Fair Value Estimates"</li> <li>• "Requirements of Financial Reporting Framework"</li> <li>• "Accounting Estimates that Give Rise to Significant Risks, Substantive Procedures"</li> </ul>	Procedures			<p>Steps will retain on roll forward if user selects to keep all responses on roll forward except steps not below that will reset due to content changes.</p> <p>Step b under "Estimates, Including Fair Value Estimates" will reset</p> <p>Step c under "Accounting Estimates that Give Rise to Significant Risks, Substantive Procedures" will reset</p>
Add	Added step "Considerations for Audits of Plans that File a Form 11-K" to address revised requirements	Procedures	New or Revised Guidance	AS 2501 (Revised)	
Modified	<p>Modified step under "Management Bias" as follows:</p> <p>We evaluated management's judgments and the potential for management bias in applying the entity's applicable financial reporting framework, in particular, management's choice of estimation techniques and use of assumptions in estimation techniques.</p>	Procedures			Step will reset on roll forward due to content changes.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	Step will also now show/hide based on new TQ added above.				
Add	<p>Added step “Bias Indicative of Fraud”</p> <p>If we have identified management bias, we evaluated whether circumstances producing the management bias represent a risk of material misstatement due to fraud (e.g., a risk that management instructed employees to record certain adjustments to inflate earnings).</p> <p><b>Practice Point:</b> Even if the auditor does not identify risks of material misstatement due to fraud, a possibility exists that management override of controls could occur.</p>	Procedures			
<b>AUD-901 Audit Program: Subsequent Events</b>					
Modify	<p>Under “Section I: General Audit Procedures” added steps 4r and 4t and modified step 4s (previously 4r) which now read as follows:</p> <p>We inquired of management, and where appropriate those charged with governance as to whether:</p> <ul style="list-style-type: none"> <li>p. There have been any changes in the entity’s related parties.</li> <li>q. There have been any significant new related-party or party-in-interest transactions.</li> <li>r. The entity has entered into any significant unusual transactions.</li> </ul>	Procedures	New or Revised Guidance	SAS No. 135	Modified step will reset on roll forward due to content changes.
Modify	<p>Under “Section I: General Audit Procedures” modified step 7 which now reads as follows:</p> <p>We read minutes of meetings of shareholders, directors, and appropriate committees held subsequent to the period being audited through the date of the auditor’s report. If meetings were held for which minutes were not prepared, we reviewed summaries of actions from those meetings and inquired about significant matters discussed and resolutions made at such meetings.</p>	Procedures	New or Revised Guidance	SAS No. 135	Step will retain on roll forward if user selects to keep all responses on roll forward.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
Add	Under “Section I: General Audit Procedures” added step 10: We documented the name and title of individual(s) inquired of regarding subsequent events and the date of the inquiry in the comments column of this program or in a separate workpaper documenting the discussion.	Procedures	Enhancement		
<b>AUD-902 Audit Program: Going Concern</b>					
Modify	Modified the header for the second column in the table in Section I: Risk Assessment Procedures and Related Activities”.  Does the Factor Exist Yes/No	Procedures	Clarification		Column will retain on roll forward if user selects to keep all responses on roll forward.
Modify	Under “Section III: Conclusions and Implications for the Auditor’s Report” modified step 3 in first table which now reads:  If conditions or events related to going concern have been identified and substantial doubt has not been alleviated by management’s plans, we evaluated the adequacy of related financial statement disclosures. If adequate disclosure is made in the financial statements, we expressed an unmodified opinion and included a Going Concern section in the auditor’s report.	Procedures	New or Revised Guidance	SAS No. 134	Step will retain on roll forward if user selects to keep all responses on roll forward.
Modify	Under “Section III: Conclusions and Implications for the Auditor’s Report” modified step 4 in first table which now reads:  If adequate disclosure about the entity’s ability to continue as a going concern for a reasonable period of time is not made in the financial statements, we expressed a qualified opinion or adverse opinion, as appropriate, and we stated in the “Basis for Qualified (Adverse) Opinion” section of the auditor’s report that either:  a. Substantial doubt exists about the entity’s ability to continue as a going concern and that the financial statements do not adequately disclose this matter; or	Procedures	New or Revised Guidance	SAS No. 134	Step will reset on roll forward due to content changes.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	b. Substantial doubt about the entity’s ability to continue as a going concern has been alleviated by management’s plans but the financial statements do not adequately disclose this matter.				
Modify	Under “Section III: Conclusions and Implications for the Auditor’s Report” modified step 1 in 2 <sup>nd</sup> table which now reads:  If substantial doubt about the entity’s ability to continue as a going concern for a reasonable period of time existed at the date of prior period financial statements that are presented on a comparative basis, and that doubt has been removed in the current period, we have removed the Going Concern section included in the prior-period auditor’s report.	Procedures	New or Revised Guidance	SAS No. 134	Step will retain on roll forward if user selects to keep all responses on roll forward.
Modify	Under “Section III: Conclusions and Implications for the Auditor’s Report” modified step 1 in last table which now reads:  If we have been asked to reissue an auditor’s report and eliminate a Going Concern section contained therein and we determined it was appropriate to do so, we reassessed the going-concern status of the entity.	Procedures	New or Revised Guidance	SAS No. 134	Step will retain on roll forward if user selects to keep all responses on roll forward.
<b>AUD-903 Audit Program: Consideration of Fraud</b>					
Add	Under “Section I: General Audit Procedures” added step 2 which reads as follows:  Based on our understanding of the entity and its environment and other information obtained during the audit, we evaluated whether the business purpose (or lack thereof) of significant unusual transactions suggest that they may have been entered into to engage in fraudulent financial reporting or to conceal misappropriation of assets by performing the following:  a. Reading the underlying documentation and evaluating whether the terms and other information about the transactions are consistent with explanations from inquiries and other audit	Procedures	New or Revised Guidance	SAS No. 135	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>evidence about the business purpose (or the lack thereof) of the transaction;</p> <p>b. Determining whether the transaction has been authorized and approved in accordance with the entity’s established policies and procedures;</p> <p>c. Evaluating whether significant unusual transactions that the auditor has identified have been properly accounted for and disclosed in the financial statements; and</p> <p>d. Evaluating the financial capability of the other parties with respect to significant uncollected balances, loan commitments, supply arrangements, guarantees and other obligations, if any.</p>				
Modify	<p>Under “Section I: General Audit Procedures” modified step 1 in second table which now reads as follows:</p> <p>We documented the following in the working papers: The discussion among audit team members in planning the audit regarding the susceptibility of the entity’s financial statements (including the individual statements and the disclosures) to material misstatement due to fraud, including the significant decisions reached and:</p>	Procedures	New or Revised Guidance	SAS No. 135	Step will retain on roll forward if user selects to keep all responses on roll forward.
<b>AUD-909 Audit Program: Financial Statement Review</b>					
Added	<p>New TQ, “Was the current year audit an ERISA section 103(a)(3)(C) audit”, which will flow from AUD-100.</p> <p>Please see KCO-002 Answer Effects for the Program Step Library for further details on the Mark N/A regarding this tailoring question.</p>	TQ Table			
Modify	Modified references to “Full Scope” and “Limited Scope” audits throughout.	Procedures	New or Revised Guidance	SAS No. 136	
Modify	Updated instructions for new accounting standards	Instructions	New or Revised Guidance	SAS No. 137	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
Modify	<p>Modified step 4(a) under “Reading of Financial Statements” as follows with two new bullets:</p> <p>The financial information and related disclosures are presented fairly, in all material respects, in accordance with the applicable financial reporting framework, considering whether the financial statements are presented in a manner that reflects:</p> <ul style="list-style-type: none"> <li>The appropriate classification and description of financial information and the underlying transactions, events, and conditions; and</li> </ul> <p>The appropriate presentation, structure, and content of the financial statements.</p>	Procedures	New or Revised Guidance	SAS No. 134	Main step will retain on roll forward if user selects to keep all responses on roll forward.
Added	Added new section, “Overall Review of the Financial Statements”.	Procedures	New or Revised Guidance	SAS No. 134	
Modify	<p>Modified section, “Other Information in Documents Containing Audited Financial Statements” to be “Other Information Included in Annual Reports”.</p> <p>Modified many steps and added new steps</p>	Procedures	New or Revised Guidance	SAS No. 137	All modified steps under this section will reset based on content changes.
Added	Added new section, “Additional Information Included in Annual Reports”	Procedures	New or Revised Guidance	SAS No. 140	
Modify	Removed section “Other Information Published by the Client” and “Agree to Support”.	Procedures	New or Revised Guidance	SAS No. 137	
Modify	Reorganized multiple steps	Procedures	Improved Workflow		
<b>AUD-910 Audit Program: Specific Element, Account, or Item of a Financial Statement in Accordance with AU-C 805</b>					
Modify	Modified definitions in the Purpose section	Purpose	New or Revised Guidance	SAS No. 134	
Modify	Modified step 5 in second table, which now reads as follows:	Procedures	New or Revised Guidance	SAS No. 139	Step will reset on roll forward due to content changes.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	If the auditor’s report on an entity’s complete set of financial statements includes a modified opinion, an emphasis-of-matter or other-matter paragraph, a going concern section, a communication of key audit matters, or a statement describing an uncorrected material misstatement of other information, we considered the implications, if any, that these matters have for the audit of the single financial statement or for the specific element of a financial statement and for the auditor’s report thereon and we have properly modified our opinion on the specific element or single financial statement.				
Modify	Minor wording changes	Procedures			

**Practice Aids (AIDs)** have been modified and updated, where applicable, with additional tips, references, and examples.

- **AIDs 201 Nonattest Services Independence Checklist, 201A Nonattest Services Independence Checklist (For 11k Filings)** Updated for Ethics Interpretation, *Information System Services* (ET sec.1.295.145); some sections have been rearranged to better align with the organization of the Professional Code of Conduct.
- **AID-301 Preliminary Analytical Procedures: Fluctuation and Ratio Analysis** Updated references to “limited scope”.
- **AID-701 Audit Sampling Worksheet for Tests of Controls** Added practice point and other guidance to improve usability.
- **AID-806 Investments in Securities Analysis: Non-Certified Investments** Updated to remove guidance for those who have not implemented ASU 2016-01, *Financial Instruments – Overall (Subtopic 825.10): Recognition and Measurement of Financial Assets and Financial Liabilities*.
- **AID-822 Board Minutes Review Checklist** Updated for SAS No. 135.
- **AID-903 Audit Report Preparation Checklist** Updated for reporting changes in SAS Nos. 134 –140.
- **NEW AID-847 Service Organization Report Analysis**

**Auditor’s Reports (RPTs)** have been modified and updated, where applicable, in accordance with current guidance.

- **RPTs 0901 – 0979** Updated for reporting changes in SAS Nos. 134 –140; Renamed reports where appropriate
- **RPT-909 Unmodified Opinion, Including Supplementary Information, with Going Concern Section: Substantial Doubt Exists** Modified circumstances where report is applicable.
- **NEW RPT-909A Unmodified Opinion, Including Supplementary Information with Emphasis-of-Matter Paragraph Related to Going Concern: Substantial Doubt has Been Alleviated**
- **DELETED RPTs 910, 0931-0936**
- **DELETED RPTs 0950 - 0956** and replaced them with **RPT-0950 Qualified Opinion on the Financial Statements of a Defined Contribution Plan Subject to ERISA**



- **DELETED RPTs 0965-0967** and replaced them with **RPT-0965 Adverse Opinion on Financial Statements of a Defined Contribution Plan Subject to ERISA**
- **DELETED RPT-0971** and replaced it with **RPT-0971 Disclaimer of Opinion on Audit of Multiemployer Pension Plan Subject to ERISA Due to Scope Limitation**
- **DELETED RPT-0976** and replaced it with:
  - **RPT-0975 Defined Contribution Plan Subject to ERISA When Management Elects ERISA Section 103(a)(3)(c) Audit Including Supplementary Information; and**
- **RPT-0976 Defined Contribution Plan Subject to ERISA When Management Elects an ERISA Section 103(A)(3)(C) Audit in Current Year with a DOL Limited Scope Audit Performed in the Prior Year**
- **DELETED RPTs 0977 – 0982** and replaced them with:
  - **RPT-0977 Qualified Opinion on Financial Statements of a Defined Contribution Plan Subject to ERISA when the Auditor Has Performed an ERISA Section 103(a)(3)(C) Audit;**
  - **RPT-0978 Adverse Opinion on Financial Statements of a Defined Contribution Plan Subject to ERISA When the Auditor Has Performed an ERISA Section 103(A)(3)(C) Audit; and**
  - **RPT-0979 Disclaimer of Opinion, Due to the Auditor’s Inability to Obtain Sufficient Appropriate Audit Evidence Because the Plan Has Not Maintained Sufficient Accounting Records, on Financial Statements of a Defined Contribution Retirement Plan Subject to ERISA When Management Elects an ERISA Section 103(A)(3)(C) Audit For Both Years**

**Correspondence Documents (CORs)** have been modified and updated, where applicable, in accordance with current guidance.

- **CORs 201, 201A, 201B, 207, 216, 218, 218A, 901, 903, 904, 905, 906** Updated for SAS Nos. 134 –140
- **CORs 204, 213, 215, 814** Updated for SAS No. 135
- **CORs 206, 210, 211, 214, 219, 803** Modified references to “Full Scope” and “Limited Scope” audits.
- **COR-219A Auditor's Agreement with and Request for Representations from the Auditor Engaged Specialist Who Performs Certain Audit Procedures (For 11-K Filings)** Updated for AS 1210;
- **NEW COR-219A Auditor's Agreement with and Request for Representations from the Auditor Engaged Specialist Who Performs Certain Audit Procedures (For 11-K Filings)**

### **Resource Documents (RESs)**

- **RESs 001 Knowledge-Based Audit Methodology Overview, 003 Consideration of Fraud in the Knowledge-Based Audit** Updated for SAS Nos. 134 - 140.
- **RES-002 Index of Audit Programs, Forms, and Other Practice Aids** Updated as needed.
- **RES-004 Audit Sampling Guidance for Tests of Controls** Added guidance to improve usability.
- **RESs 008, 016, 017, 018, 020** Updated consistent with related KBA.
- **NEW RES-030 Key Audit Matters Decision Tree**

**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:

Statements on Auditing Standards (SASs):

SAS No. 134, *Auditor Reporting and Amendments, Including Amendments Addressing Disclosures in the Audit of Financial Statements*

SAS No. 135, *Omnibus Statement on Auditing Standards – 2019*;

SAS No. 137, *The Auditor's Responsibilities Relating to Other Information Included in Annual Reports*;

SAS No. 138, *Amendments to the Description of the Concept of Materiality*;

SAS No. 139, *Amendments to AU-C Sections 800, 805, and 810 to Incorporate Auditor Reporting Changes From SAS No. 134*;

SAS No. 140, *Amendments to AU-C Sections 725, 730, 930, 935, and 940 to Incorporate Auditor Reporting Changes From SAS Nos. 134 and 137*

FASB Accounting Standards Codification as of December 31, 2020, and through Accounting Standards Update (ASU) No. 2020-11, including:

- ASU No. 2020-11, Financial Services—Insurance (Topic 944): Effective Date and Early Application

AICPA Ethics Interpretation, *Information System Services* (ET sec.1.295.145)

For 11-K audits, PCAOB auditing standards and rules issued through June 2020, including AS 1210, *Using the Work of an Auditor-Engaged Specialist*, and AS 2501 (Revised), *Auditing Accounting Estimates, Including Fair Value Measurements*.

Users of this content should consider guidance issued subsequent to these items to determine their effect on engagements conducted using this product.

## 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>	<i>Association Workpaper</i>
<b>KBA</b> s	<b>KNOWLEDGE-BASED AUDIT DOCUMENTS</b>		
KBA-101	Overall Audit Strategy	X	
KBA-102	Engagement Completion Document	X	
KBA-103	Evaluating and Communicating Internal Control Deficiencies	X	
KBA-105	Review of Significant Accounting Estimates	X	
KBA-200	Plan Information and Background	X	
KBA-201	Client/Engagement Acceptance and Continuance Form		
KBA-301	Worksheet for Determination of Materiality, Performance Materiality, and Thresholds for Trivial Amounts		
KBA-302	Understanding the Plan and Its Environment		
KBA-303	Inquiries of Management and Others within the Plan about the Risks of Fraud and Noncompliance with Laws and Regulations		
KBA-400	Scoping and Mapping of Significant Account Balances, Classes of Transactions, and Disclosures	X	

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>	<i>Association Workpaper</i>
KBA-401	Understanding Entity-Level Controls		
KBA-402	Understanding General Controls for Information Technology		
KBA-403	Understanding Activity-Level Controls: Revenue, Employer and Employee Contributions Receivable, and Cash Receipts		
KBA-404	Understanding Activity-Level Controls: Benefit Payments and Distributions		
KBA-405	Understanding Activity-Level Controls: Investments		
KBA-406	Understanding Activity-Level Controls: Participant Data		
KBA-407	Understanding Activity-Level Controls: Notes Receivable from Participants and Hardship Withdrawals		
KBA-408	Understanding Activity-Level Controls: Accounts Payable and Disbursements		
KBA-410	Understanding Activity-Level Controls: Financial Reporting and Closing Process		
KBA-411	Understanding Controls Maintained by a Service Organization		X
KBA-502	Summary of Risk Assessments	X	
KBA-503	Basis for Inherent Risk Assessment		
KBA-902	Audit Review and Approval Checklist		
KBA-904	Audit Documentation Checklist		
<b>AUDs</b>	<b>AUDIT PROGRAMS</b>		

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>	<i>Association Workpaper</i>
AUD-100	Engagement-Level Tailoring Questions	X	
AUD-101	Overall Audit Program	X	
AUD-201	Audit Program: Opening Balances and Additional Audit Procedures for an Initial or Reaudit Engagement		
AUD-202	Audit Program: Planning the Employee Benefit Plan Audit		
AUD-602	Audit Program: Involvement of a Component Auditor		X
AUD-603	Audit Program: Using the Work of an Auditor's Specialist		X
AUD-604	Audit Program: Using the Work of a Management's Specialist		X
AUD-701	Audit Program: Designing Tests of Controls		
AUD-800	Audit Program: Custom		X
AUD-801	Audit Program: Cash		
AUD-802A	Audit Program: Investments (Non-Certified/Full Scope Audit)		
AUD-802B	Audit Program: Investments (Certified)		
AUD-803	Audit Program: Employer and Employee Contributions Received and Contributions Receivable		
AUD-804	Audit Program: Other Assets—Including Other Receivables, Deposits or Reserves with and Receivables from Insurance Companies and Other Service Providers, and Operating Assets		
AUD-805	Audit Program: Notes Receivable from Participants		

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>	<i>Association Workpaper</i>
AUD-806	Audit Program: Accounts Payable and Accrued Expenses		
AUD-807	Audit Program: Debt Obligations		
AUD-808	Audit Program: Other Income and Operating Expenses		
AUD-809	Audit Program: Benefit Payments		
AUD-810	Audit Program: Tax Status of the Plan		
AUD-811	Audit Program: Changes in Service Providers; Plan Mergers or Spin-Offs; and Terminated and Partially Terminated or Frozen Plans		
AUD-812	Audit Program: Journal Entries		
AUD-813	Audit Program: Related-Party and Party-in-Interest Transactions		
AUD-814A	Audit Program: Participant Data and Accounts—Defined Contribution Plans		
AUD-814B	Audit Program: Participant Data—Defined Benefit Plans		
AUD-814C	Audit Program: Participant Data—Health and Welfare Defined Benefit Plans		
AUD-814D	Audit Program: Benefit Obligations—Defined Benefit Plans, Including Health and Welfare Defined Benefit Plans		
AUD-815	Audit Program: Minutes, Plan Documents, Agreements, and Relevant Contracts of an Employee Benefit Plan		
AUD-816	Audit Program: Fair Value Measurements and Disclosures		
AUD-817	Audit Program: Commitments and Contingencies		

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>	<i>Association Workpaper</i>
AUD-818	Audit Program: Accounting Estimates		
AUD-819	Audit Program: Concentrations		
AUD-901	Audit Program: Subsequent Events		
AUD-902	Audit Program: Going Concern		
AUD-902A	Audit Program: Going Concern (For 11-K Filings)		
AUD-903	Audit Program: Consideration of Fraud		
AUD-904	Audit Program: Compliance with Laws and Regulations		
AUD-909	Audit Program: Financial Statement Review		
AUD-910	Audit Program: Specific Element, Account, or Item of a Financial Statement in Accordance with AU-C 805		
<b>AIDs</b>	<b>PRACTICE AIDs</b>		
AID-201	Nonattest Services Independence Checklist		
AID-201	Nonattest Services Independence Checklist (For 11-K Filings)		
AID-302	Understanding the Plan's Contribution and Income Streams and Income Recognition Policies		
AID-601	Considering the Use of the Work of Internal Auditors		
AID-702	Results of Tests of Controls		

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>	<i>Association Workpaper</i>
AID-801	Audit Sampling Worksheet for Substantive Tests of Details		
AID-901	Differences of Professional Opinion		



**Additional Information for Associated Workpapers**

The following tables list the workpapers that require association in this title, along with the information that must be completed before you can insert each workpaper.

<i>Workpaper Requiring Association</i>	<i>What is it associated with?</i>		
	<i>Workpaper</i>	<i>Table/Question</i>	<i>Association Item (Custom Value)</i>
KBA-411 Understanding Ctrl's: Service Org (Custom)	AUD-100 Tailoring Question Workpaper	Does the plan use service organizations? Shows the "Document the service organizations used by the plan." table in KBA-101 Overall Audit Strategy.	
	KBA-101 Overall Audit Strategy	Document the service organizations used by the plan.	Service Organization
AUD-602 Audit Program: Component Auditor Involvement (Custom)	AUD-100 Tailoring Question Workpaper	Does the auditor plan to rely on audit evidence provided by a component auditor? is "Yes" Shows the "Document the audit evidence provided by the component auditor(s) that we will rely on in our engagement." table in KBA-101 Overall Audit Strategy.	
	KBA-101 Overall Audit Strategy	Document the audit evidence provided by the component auditor(s) that we will rely on in our engagement.	Audit Firm Name
AUD-603 Audit Program: Auditor's Specialist (Custom)	AUD-100 Tailoring Question Workpaper	Does the auditor intend to use a specialist on this engagement? is "Yes" Shows the "Document the expected use of a specialist(s) on our audit." table in KBA-101 Overall Audit Strategy.	
	KBA-101 Overall Audit Strategy	Document the expected use of a specialist(s) on our audit. Then select Auditor's Specialist from the Type of Specialist Column	Specialist Firm Name
AUD-604 Audit Program: Management's Specialist (Custom)	AUD-100 Tailoring Question Workpaper	Does the auditor intend to use a specialist on this engagement? is "Yes" Shows the "Document the expected use of a specialist(s) on our audit." table in KBA-101 Overall Audit Strategy.	
	KBA-101 Overall Audit Strategy	Document the expected use of a specialist(s) on our audit. Then select Management's Specialist from the Type of Specialist Column.	Specialist Firm Name
AUD-800 Audit Program: (Custom)	AUD-100 Tailoring Question Workpaper	What financial statement audit areas are applicable to this engagement? "Customize Audit Area" link within the answer selection box.	Custom Audit Area