

Snapshot

AICPA issues standard on agreed-upon procedures

In December 2019, the AICPA's Auditing Standards Board [published](#) Statement on Standards for Attestation Engagements (SSAE) 19, *Agreed Upon Procedures Engagements*, which supersedes AT-C Section 215, *Agreed-Upon Procedures Engagements*, and amends AT-C Section 105, *Concepts Common to All Attestation Engagements*.

SSAE 19 is intended to provide practitioners with greater flexibility in performing agreed-upon procedures engagements by (1) eliminating the requirement to request an assertion from the responsible party, (2) eliminating the requirement for specified users to take responsibility for the sufficiency of the procedures, (3) enabling the development of the agreed-upon procedures over the course of the engagement and allowing the practitioner to assist in developing those procedures, and (4) allowing the practitioner to issue a "general-use" report. It is important to note that in providing for the increased flexibility, the Board also retained the guidance for issuing reports consistent with traditional practice, including required acknowledgments from specified parties and restrictions on use.

SSAE 19 is effective for agreed-upon procedures dated on or after July 15, 2021. Early implementation is permitted.

The most significant changes are summarized herein.

Eliminating the requirement to request an assertion from the responsible party. SSAE 19 no longer requires the practitioner to request an assertion from the responsible party or to disclose in the practitioner's report when an assertion is not obtained. This change better reflects the purpose of an agreed-

upon procedures engagement, which is to present the results of procedures performed by the practitioner.

Eliminating the requirement for specified users to take responsibility for the sufficiency of the procedures. SSAE 19 no longer requires specified parties to take responsibility for the sufficiency of procedures performed, which was a required step in agreeing to the terms of the engagement. This change eliminates the issue potentially created when procedures evolve or additional specified parties are added during the engagement. Under SSAE 19, if appropriate in the circumstances, the practitioner instead requires only the engaging party to agree to and acknowledge that the procedures performed are appropriate to meet the intended purpose of the engagement prior to issuing the practitioner's report.

Enabling the development of the agreed-upon procedures to occur over the course of the engagement and allowing the practitioner to assist in developing those procedures. SSAE 19 allows procedures to be developed by the practitioner, the engaging party, the intended users of the practitioner's report, or any combination thereof. Procedures can also be developed over the course of the engagement without obligating the practitioner to require an updated engagement letter or acknowledgment from the other parties to obtain agreement on the revised procedures. Prior to issuing the practitioner's report, the engaging party is required to agree to and acknowledge that the procedures performed are appropriate to meet the intended purpose of the engagement, which can be documented in the engagement letter, an addendum to the engagement letter, a representation letter, or some other written communication.

Allowing the practitioner to issue a 'general-use' report. As a result of no longer requiring users of the

practitioner's report, other than the engaging party, to agree to and acknowledge that the procedures performed are appropriate to meet the intended purpose of the engagement, SSAE 19 allows the practitioner to issue a general-use report. The report includes language to advise users that the procedures performed may not meet their needs and to inform them that it is their responsibility to determine whether the procedures performed are appropriate for their purposes. The practitioner is still allowed to restrict the use of the agreed-upon procedures report if, in his or her professional judgment, such restriction is appropriate.

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