



## Agenda Item 1

### Discussion Memorandum: Attestation Standards

#### Objective of Agenda Item

To vote to issue the proposed revisions to AT-C sections 105, *Concepts Common to All Attestation Engagements*, and 205, *Examination Engagements*, and proposed AT-C section 206, *Direct Examination Engagements*, as a final Statement on Standards for Attestation Engagements (SSAE). Included in the proposed revisions is a change in the title of AT-C section 205 from *Examination Engagements* to *Assertion-Based Examination Engagements*, for clarity.

#### Background

In July 2018, the ASB issued an exposure draft *Revisions to Statement on Standards for Attestation Engagements No. 18, Attestation Standards: Clarification and Recodification* (ED) that among other things, proposed to revise AT-C sections 105 and 205 to provide for direct examination engagements. Since issuance of the ED, the Task Force has presented numerous proposals and drafts of AT-C sections 105 and 205 to the ASB in an attempt to enable direct engagements. At its October 2019 meeting, the ASB directed that extant AT-C section 205 should be substantially retained to enable traditional assertion-based examination engagements and that a new AT-C section should be developed to provide for direct examination engagements.

The Attestation Standards Task Force is co-staffed by Judith Sherinsky and Mike Glynn and consists of the following members:

Jeanne Dee (Chair) – Member of ASB  
Denny Ard – Chair of the ARSC  
Marne Doman – PricewaterhouseCoopers LLP  
Kathleen Healy – Member of the ASB  
David Johnson – Former member of the ARSC  
Michael Manspeaker – Member of the AICPA’s Technical Issues Committee  
Paul Penler – Ernst & Young LLP  
Catherine Schweigel – Former member of the ASB  
Chad Singletary – Former member of the ASB  
Matthew Zaun – Government Accountability Office

#### Proposed Effective Date

The proposed effective date of revised AT-C sections 105 and 205 and AT-C section 206 is for practitioner’s reports dated on or after December 15, 2021. Early implementation is proposed to be permitted.

**Action Requested of the ASB**

Does the ASB agree with the proposed effective date?

**Proposed Amendments to AT-C sections 210 and 215**

Paragraph .01 of AT-C section 205, *Examination Engagements* is proposed to be revised to clarify that for purposes of applying the section, the term *subject matter* encompasses the terms *underlying subject matter* and *subject matter information*, as defined in AT-C section 105. Similar revisions are proposed to paragraph .01 in both AT-C sections 210, *Review Engagements* and 215, *Agreed-Upon Procedures Engagements*. Those proposed revisions will be included in an appendix to the final SSAE and are included as Agenda item 1I.

**Vote to Ballot to Issue as a Final SSAE**

The ASB is asked to vote to ballot to issue the proposed revisions to AT-C sections 105 and 205 and AT-C section 206 as a final SSAE.

**Agenda Items Presented:**

- Agenda item 1A Proposed AT-C section 105, *Concepts Common to All Attestation Engagements* (Clean Draft)
- Agenda item 1B Proposed AT-C section 205, *Assertion-Based Examination Engagements* (Clean Draft)
- Agenda item 1C Proposed AT-C section 206, *Direct Examination Engagements* (Clean Draft)
- Agenda item 1D Proposed AT-C section 105 (Marked From the Draft Presented at the May 2020 ASB Meeting)
- Agenda item 1E Proposed AT-C section 205 (Marked From the Draft Presented at the May 2020 ASB Meeting)
- Agenda item 1F Proposed AT-C section 206 (Marked From the Draft Presented at the May 2020 ASB Meeting)
- Agenda item 1G Proposed AT-C section 105 (Marked From Extant AT-C section 105)
- Agenda item 1H Proposed AT-C section 205 (Marked From Extant AT-C section 205)
- Agenda item 1I Proposed appendix to standard amending AT-C sections 210, *Review Engagements* and 215, *Agreed-Upon Procedures Engagements*
- Agenda item 1J Document illustrating compliance with due process in the development and issuance of the proposed SSAE

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Ms. Dee will refer to agenda items 1D, 1E, and 1F to walk the ASB through the proposed standard as those agenda items reflect changes made by the task force to address comments received from ASB members during the May 2020 ASB meeting.