

New standard for agreed-upon procedures engagements

What happened?

In December 2019, Statement on Standards for Attestation Engagements (SSAE) No. 19, *Agreed-Upon Procedures Engagements* was issued. SSAE 19 supersedes SSAE 18 AT-C section 215 of the same name and also amends certain provisions of SSAE 18 section 105, *Concepts Common to All Attestation Engagements*.

SSAE 19 provides flexibility to a practitioner performing an agreed-upon procedures engagement by (1) removing the requirement that the practitioner request an assertion from the responsible party; (2) permitting the practitioner to issue a general-use report (3) no longer requiring intended users to take responsibility for the sufficiency of the procedures; and (4) allowing procedures to be developed over the course of the engagement and allowing the practitioner to develop or assist in developing the procedures with a requirement that the engaging party acknowledge the *appropriateness* of the procedures prior to the issuance of the practitioner's report.

Removing the requirement to obtain an assertion

SSAE 19 removes the requirement for the practitioner to either request an assertion or disclose in the accountant's report when the practitioner has not obtained an assertion. This is because the responsible party may not have the ability or willingness to perform its own measurement or evaluation of the subject matter.

Permitting the issuance of a general-use agreed-upon procedures report

Extant AT-C section 215 requires that the practitioner's agreed-upon procedures report be restricted to the use of *specified parties* that have accepted responsibility for the sufficiency of the procedures. Because SSAE 19 has eliminated the requirement that any users of the practitioner's report other than the engaging party agree to and accept responsibility for the sufficiency of the procedures performed, the practitioner is permitted to issue a general-use report. The report includes language advising users that the procedures performed and the findings obtained may not be appropriate for their purposes. There is nothing in SSAE 19 that would preclude the practitioner from restricting the use of any report if, in his or her professional judgment, such restriction is appropriate.



The new standard provides flexibility for practitioners in performing agreed-upon procedures engagements.

No longer requiring intended users to take responsibility for the sufficiency of the procedures
Extant AT-C section 215 is premised on *specified parties* determining the procedures to be performed by the practitioner and assuming responsibility for the sufficiency of the procedures. Such *specified parties* have been required to acknowledge their responsibility for the sufficiency of the procedures as part of the practitioner agreeing on the terms of the engagement with the engaging party. This requirement becomes burdensome when procedures evolve, or additional *specified parties* are added during the engagement.

Development of the procedures with a requirement that the engaging party acknowledge the appropriateness of the procedures prior to the issuance of the practitioner's report

SSAE 19 provides flexibility as the procedures can be developed by the practitioner, the engaging party, intended users of the practitioner's report or any combination. Further, the procedures can be developed over the course of the engagement without requiring the practitioner to go back to any parties to obtain their agreement on the procedures. Instead, prior to the issuance of 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.

Next steps?

SSAE 19 is effective for agreed-upon procedures reports dated on or after July 15, 2021. Early implementation is permitted. SSAE 19 is available for practitioners to read and consider in order to adequately prepare for implementation, and can be viewed on the AICPA's website under [recently issued standards](#).