

Reviewer alert

April 2020

We hope you and your families continue to be healthy and safe during these unprecedented times. We wanted to share important updates to the AICPA Peer Review Program Manual (PRPM) and inform you of some upcoming webcasts, including one on performing system reviews in a COVID-19 world.

[What's New in the PRPM – April 2020 Update](#)
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What's New in the PRPM – April 2020 Update

The following updates are available on the [peer review webpages](#) and in the Online Professional Library ([OPL](#)) to subscribers. PDF or excel documents have an “April 2020” date on the top.

The updates are effective for reviews commencing on or after May 1, 2020. However, early implementation is permitted at the peer reviewer’s discretion, and encouraged, so that newer professional standards (such as revenue recognition, leases and SSAE No. 19 (AUP)) are appropriately addressed.

Updates resulting from the [January 2020 Peer Review Board \(PRB\) meeting](#), guidance in PRP:

- [3100, Supplemental Guidance article “Evaluation of Non-Compliance with the Risk Assessment Standards”](#) to add the option to “hire an outside party acceptable to the RAB to review the firm’s remediation of an engagement not performed or reported on in conformity with the professional standards in all material respects” as an allowable implementation plan when an FFC is required for non-compliance with the risk assessment standards, on reviews commencing October 1, 2018 through September 30, 2021. This update was effective January 30, 2020.

Updated Engagement Checklists & Practice Aids

The following PRP sections (including related profiles) have been added or updated for new professional standards and other enhancements, including ethical requirements and nonattest services, as applicable:

- [Financial Reporting and Disclosure Checklists](#) – 22300 and 23600 were updated to address revenue recognition and leases
- [Team Captain Checklist and Review Captain Summary](#) – 4900 and 6300 were updated to enhance an independence question and clarify a document retention question
- [Auditing:](#)

- Single Audits – the 22100 A & B – UG - *Supplemental Checklists for Review of Single Audit Engagements (Uniform Guidance)* were updated for the 2019 Compliance Supplement and 2019 AAG-GAS
- Broker Dealers – the 21300 *SEC-Registered Broker-Dealer Audit and Attest Engagements Checklist* was primarily updated for the 9/2019 AICPA Audit and Accounting (A&A) Guide
- Banking – the 22010 *Supplemental Checklist for Review of Banks and Savings Institutions Audit Engagements* was updated for the 7/2019 A&A Guide
- AUP – a 20900A *Agreed-Upon Procedures Engagement Checklist* was added for System and Engagement Reviews to address early implementation of SSAE No. 19, which is effective for AUP reports dated on or after July 15, 2021
 - For Engagement Reviews, mark any 20900A question that only references Statements on Quality Control Standards requirements as “N/A” (e.g. AT103).
- Practice management toolkits were updated with conforming changes.
- Monitoring Report – the 10,000 *Monitoring Guidance, Exhibit D – Sample Summary Monitoring Report, Exhibit E – Examples and Exhibit F - Exhibits* have been updated to align with the Review Summary and Peer Review Information (PRI) in PRIMA.

Note re: Governmental –

- The 4400, 22110 and 22120 supplemental checklists for Government Auditing Standards (GAS, or Yellow Book) will be updated by Spring 2021 for the 2018 revision of GAS.
- The 20500 *Governmental Audit Engagement Checklist* will be updated for GASB 84, Fiduciary Activities (effective for reporting periods beginning after December 15, 2018) in Fall 2020. For entities that have implemented GASB 84 prior to that checklist update, refer to the most recent State and Local Government Audit Guide for proper implementation of the guidance.

Next PRPM Update:

The next update is currently scheduled for September/October 2020.

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Register for Upcoming Peer Review Webcasts

- [Peer Review Update: Performing System Reviews in a COVID-19 World](#) on May 6, May 19 and June 1, 1-3pm ET. FREE with CPE for AICPA members.
- [AICPA Peer Review Must-Select Industry Update: Brokers and Dealers in Securities](#) on May 12, 10:30-11:30am ET.