



OFFICIAL RELEASE

Temporary Policy Statement

Related to the Uniformed Services
Employment and Reemployment Rights Act
and parallel state statutes

**AICPA Professional Ethics
Division**

Adopted November 16, 2021

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Ethics interpretations and other guidance are promulgated by the executive committee of the Professional Ethics Division to provide guidelines about the scope and application of the rules but are not intended to limit such scope or application. Publication in the Journal of Accountancy constitutes notice to members.

The AICPA Professional Ethics Executive Committee (PEEC) adopted a temporary policy statement related to employment statutes that may be in conflict with certain independence interpretations. PEEC will evaluate whether the AICPA *Code of Professional Conduct* (Code) should be revised as a result of the conflict.

The Uniformed Services Employment and Reemployment Rights Act (USERRA) and parallel state statutes expressly prohibit employers from taking adverse employment actions against an employee because the employee is or was a member of the armed services. Such statutes create a conflict when a firm is providing attest services to a branch of the armed services, as independence would be impaired if a partner or professional employee is simultaneously employed or associated with an attest client.

The temporary policy statement was adopted on November 16, 2021 and will be effective until PEEC rescinds it. Notice of the temporary policy statement will appear in the Journal of Accountancy in December 2021.

Text of Temporary Policy Statement

The following temporary policy statement in ***bold italic*** was adopted by the Professional Ethics Executive Committee on November 16, 2021 and is effective until PEEC rescinds it.

0.600.030 Temporary Enforcement Policies

.01 Periodically the Professional Ethics Executive Committee (PEEC) may publicly agree not to take enforcement action in certain circumstances and may issue a temporary enforcement policy. This section sets forth any temporary enforcement policies that are in effect.

.02 Temporary Policy Statement of the AICPA Professional Ethics Executive Committee Related to Amendments of Rule 2-01 of Regulation S-X.

On October 16, 2020, the SEC announced that it adopted final amendments to certain auditor independence requirements in Rule 2-01 of Regulation S-X (SEC amendments). The SEC amendments will be effective on June 9, 2021, with early adoption permitted. PEEC has agreed to evaluate the SEC amendments and determine if any revisions should be made to the AICPA Code of Professional Conduct (code) in light of the SEC amendments. While this evaluation is underway, PEEC will consider a member to be in compliance with the code if the member implements and complies with the SEC amendments or complies with the existing code. This temporary enforcement policy will be effective until PEEC rescinds it. [Adopted December 21, 2020.]

.03 Temporary policy statement of the AICPA Professional Ethics Executive Committee related to simultaneous employment or association with an attest client and the Uniformed Services Employment and Reemployment Rights Act (USERRA) and parallel state statutes.

USERRA and parallel state statutes provide certain employment protections to individuals who serve, may serve, or have served in the armed services. On November 16, 2021, PEEC agreed it will consider a member or member's firm to be in compliance with the code if the member or member's firm employs individuals who serve in federal or state armed services and provides attest services to the armed services attest client, is not in a position to influence the attest engagement and is not on the attest engagement team. This temporary enforcement policy will be effective until PEEC rescinds it. [Adopted November 16, 2021]

Effective Date

.04 [Paragraph .01](#) is effective December 21, 2020.