

CCH® ProSystem fx® Knowledge Coach

Welcome to 2019 Knowledge-Based Audits™ of Single Audits for Knowledge Coach

This document provides important information about the 2019 release of Knowledge Based Audits™ of Single Audits. Review this information carefully. If you have any questions, additional information is available on CCH [Support Online](#).

New in this Release

Knowledge-Based Single Audits

This title can be installed on CCH® ProSystem fx® Engagement v2018 by first installing the CCH ProSystem fx Engagement v2018.2.4 Update for Knowledge Coach. The latest update can be downloaded [here](#). This update allows you to use the 2019 content without installing Engagement v2019 until your firm plans to update.

This title is designed to help the auditor efficiently and effectively perform the compliance audit portion of the single audit. The methodology is compliant with auditing standards generally accepted in the United States of America (U.S GAAS), Government Auditing Standards (GAGAS), and the audit requirements of 2CFR200, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (the Uniform Guidance). The Knowledge-Based™ Audit Methodology is a risk-based methodology that emphasizes using knowledge of the entity to make risk assessments in connection with a financial statement audit. This allows the auditor to more appropriately focus audit efforts on those areas which, in the auditor's judgment, are the most significant and pose the most risk of material misstatement to the financial statements.

Conducting single audits requires the exercise of the auditor's professional judgment. This document is published for the purpose of communicating updates and enhancements in the current version to users of the toolset. This document is not, and should not be used as, an audit program to update the audit documentation of an engagement started in a previous version of this product.

If you are updating from a previous version of this title, refer to the *Knowledge Coach User Guide*, Chapter 12. The guide is found on the Engagement File Room Help menu.

The 2019 documents include CCH® Accounting Research® material links to specific guidance that provide instant access to detailed analysis related to the steps and processes discussed in the workpapers.

2019 Edition of Knowledge-Based Single Audits

This edition features numerous enhancements, including:

- Combining complex and noncomplex forms (KBA-302N and KBA-401N), giving the auditor the option to memo or complete the detailed table for each section based on tailoring.

Roll Forward Note: If you used a noncomplex document in your prior engagement, before rolling that file forward, you must add the complex document to your engagement binder to retain the data from the noncomplex document. Then, remove these workpapers from the prior year binder after rolling the binder forward.

If your binder has been finalized and you don't want to unfinalize it to insert the complex document before rolling forward, make a copy of your finalized binder, insert the applicable complex documents, and then roll forward the copied binder to the 2019 title. After roll forward, remember to delete the copied prior year binder from your file room. Doing this retains the data in the 2019 combined versions.

Alternatively, copy and paste the data from the prior year noncomplex document from the prior year binder after rolling forward to the current combined versions. The noncomplex document rolls forward as an obsolete workpaper with no data and must be removed after you roll forward your binder. Refer to your prior year binder for data in the noncomplex document.

For the Update Knowledge Coach Content option, insert the complex version of the workpaper prior to updating. Doing this retains information from the now obsolete noncomplex version. We recommend publishing the noncomplex versions prior to selecting the Update Knowledge Coach Content option so you have access to the data after updating, as the noncomplex version will be obsolete.

- Adding flow of columns "Nature of Other Services" and "Firm Personnel Overseeing the Service" from KBA-101S Overall Uniform Guidance Compliance Audit Strategy to AID-201S Non Attest Services Independence Checklist.
- Adding the table "Prior Year Substantive Matters and Significant Findings" to KBA-102S Uniform Guidance Compliance Audit: Significant Matters. This table is only user entry and is available to document prior year matters or findings.
- Modifying headers and adding one new column (If Controls are Not Effectively Designed and Implemented or Are Not Operating Effectively, Describe the Risks of Material Misstatement) in AID-401S Understanding General Controls for Information Technology in the "less complex" table. This new column contains a dynamic list of risks noted in the engagement which is similar to the functionality of KBA-40X series forms.
- Adding one new Potential Error Diagnostics in KBA-502S Summary of Assessments of Risks of Noncompliance that triggers when you add a compliance-level risk in the risk pane, but document that both Inherent Risk and Control Risk are low.
- Adding a table to both KBA-902S Uniform Guidance Compliance Audit Review and Approval Checklist to document a concurring partner review, if applicable. A tailoring question was also added to AUD-100S that has show/hide functionality on this table in both forms.
- Enhancing instructions and procedures throughout the toolset to improve workflow.
- Adding new tips regarding Omnibus Statement on Auditing Standards for the issuance of SAS-135.

[Click here](#) for the 2019 Audits of Single Audit Title Overview for Knowledge Coach Users.

In addition, forms and practice aids throughout have been updated to include new examples and tips, and where applicable, to take into account new literature, standards, and developments, reflected in the following current audit and accounting guidance:

- AICPA Statement on Auditing Standards (SAS) No. 134, Auditor Reporting and Amendments, Including Amendments Addressing Disclosures in the Audit of Financial Statements
- AICPA Statement on Auditing Standards (SAS) (SAS) No. 135, Omnibus Statement on Auditing Standards - 2019
- Government Auditing Standards, 2018 Revision
- 2019 Compliance Supplement
- 2019 Data Collection and discussion of the Uniform Guidance

Important:

- Save changes to workpapers before closing the workpaper or the binder to ensure data is correctly updated.
- If Microsoft® Word crashes when using Knowledge Coach, before closing the binder, use the Save Knowledge Coach Answers option in the binder view under the Tools menu. This saves all data within tables.
- You can view other Knowledge Coach Best Practices on our [Web site](#).

System Requirements

This title requires the 2019 Compliance Base Title. The 2019 Compliance Base title must be installed with one of the following versions of Engagement and Knowledge Coach.

- Engagement and Knowledge Coach v2018 with CCH ProSystem fx Engagement v2018.2.4 Update or later available [here](#). To identify the version you are running, please go to the Help > About window in the application.
- Engagement and Knowledge Coach v2019 or newer.

If you are upgrading from Engagement v7.1 or older, please contact [Technical Support](#).

A minimum of 4GB of RAM is required for optimal performance when opening and navigating Knowledge Coach workpapers.

License Requirements

This title requires the Knowledge-Based Audits of Single Audits license. Users who do not have a license for this title cannot use Knowledge Coach functionality in workpapers.

For information on updating your licensing, see [How do I add or update CCH ProSystem fx Engagement Licenses?](#) on our Support Web site.

For more information on assigning licenses, see [How do I assign Engagement Licenses?](#) on our Support Web site.

Download Instructions

If you plan to use this title on Engagement and Knowledge Coach v2018, apply the CCH ProSystem fx Engagement v2018.2.4 Update to all computers, including Admin and terminal servers, before installing the title. Review the update's [release notes](#) for more deployment information.

To download this title:

1. Navigate to the [Knowledge Coach Updates](#) section of the Engagement Support Web site.
2. Select the Knowledge Coach Series. The series are arranged by title type, then industry.
3. Click **Download File** next to the title you want to download.

Note: On some occasions the content package file (KCP) downloads with the extension changed to ZIP. If this occurs, change the extension of the downloaded file to KCP, using all capital letters.

You must install the 2019 Compliance Base title before installing the 2019 Knowledge Based Single Audits. The Compliance Base title is also available on the [Knowledge Coach Update Web site](#).

The Knowledge Coach Content Package (KCP) download is a proprietary file that must be installed from within Engagement. Save this KCP file to a location on your local drive, and follow the Installation Instructions below.

Installation Instructions

See [How do I add a new CCH® ProSystem fx® Knowledge Coach title to CCH® ProSystem fx® Engagement?](#) for instructions on installing a new Knowledge Coach title.

Online Permission Key

Permission key files can be downloaded from our [Web site](#) or when adding or updating the new licenses in Engagement v2018 and newer. After updating the license file in the Engagement Admin module, licenses must be assigned to the staff who will use 2019 Knowledge-Based Single Audits.

If you have not already established a Single Sign-on (SSO) account with Customer Service, we urge you to do so at this time.

Using Your Knowledge Coach Content with CCH® Accounting Research Manager®

CCH's Accounting Research Manager (ARM) is the most comprehensive, up-to-date, and objective online database of financial reporting literature. It includes all authoritative and proposed accounting, auditing, and SEC literature, plus independent, expert-written interpretive guidance.

Available on ARM, the Knowledge-Based Single Audits Guide helps you comply with the most recent professional standards and guidance for the conduct of audits of Commercial Entities and to integrate the use of practice aids, tools, and other resources with its guidance. This publication supplements and complements the knowledge-based documents that are available in Knowledge Coach.

If you subscribe to an ARM library that includes Single Audits content, you can link directly to source material from Resources within Knowledge Coach documents. These links have been updated to refer to the accounting standards under the FASB Accounting Standards Codifications. Also, if you subscribe to the Knowledge-Based Single Audits Guide on ARM, you can take advantage of references to the guide material from within the Knowledge Coach documents.

With Accounting Research Manager, you maximize the efficiency of your research time, while enhancing your results. Learn more about our content, our experts, and how you can request your free trial by visiting the [Accounting Research Manager Web site](#). You can also access the Accounting Research Manager Web site by selecting **Engagement > Binder Window > Shortcuts Bar > Guidance tab**.

Using Your Knowledge Coach Content

To use your Knowledge Coach Workpaper templates, do the following:

1. Open a binder in Engagement.
2. Select the workpaper tab into which you would like to insert the workpaper.
3. Select **New Knowledge Coach Workpaper** from the toolbar or File menu.
4. Select the new Knowledge Coach title with the content you would like to use. You can only select titles you have installed. The information displayed changes to reflect the workpaper organization available for the selected title.
5. Select the Knowledge Coach workpapers to insert into your binder and click **OK**.
6. In the Selected Workpaper Properties window, add a workpaper index in the Index field and make any Name modifications that are needed. You can also modify the tab location or the roll forward settings for each workpaper.
7. Click **OK**. The integrated Knowledge Coach workpaper is now inserted into your engagement binder.

Note: For more information on how to use Knowledge Coach workpapers in your binder, see the *Knowledge Coach User Guide*.

Additional Information on Knowledge Coach and the KBA Methodology

Knowledge-Based Audit (KBA) Methodology allows the results of one set of procedures to become the input for the next. The key components of the KBA methodology include:

- An overview that guides auditors through the methodology
- Knowledge-based audit documents, integral to risk assessment and audit processes, which contain steps and procedures required by U.S. GAAS, GAGAS, the Compliance Supplement and the Uniform Guidance
- Customizable audit programs that take auditors through related steps and procedures
- Practice aids to help auditors complete steps or processes outlined in the knowledge-based audit documents and audit programs
- Auditor's reports that provide a variety of sample auditor's opinions on audited financial statements
- Correspondence documents that provide sample letters to be used to comply with U.S. GAAS, GAGAS, the Compliance Supplement and the Uniform Guidance requirements and in other common situations
- The AICPA's Auditing Standards Board's (ASB) Risk Assessment Standards - The practice aids and tools in the 2019 Knowledge-Based Single Audits are designed around the AICPA's risk assessment and clarified standards to assist auditors of single audits by:
 - Facilitating compliance with GAAS, GAGAS, and the Compliance Supplement and the Uniform Guidance
 - Encouraging more effective audits through tailored audit programs and comprehensive practice aids
 - Helping auditors to focus on and respond to identified audit risks
 - Enhancing audit documentation

CCH® ProSystem fx® Knowledge Coach

Knowledge Coach functionality allows auditors to use the Knowledge-Based-Audit methodology more efficiently. It eliminates the need for duplicate entry of the same information, tailors audit documentation to each particular engagement, and documents the link between risks identified and procedures performed. AUD-100S Tailoring Question in Knowledge Coach presents engagement-level questions that aid in tailoring the engagement documentation for each client. Completing the questions helps avoid duplication and unnecessary workpapers.

Note: Before you begin an audit, review the guidance in AUD-101S Overall Audit Program. This workpaper is your road map through a Knowledge-Based Audit methodology. Start your audit with AUD-100S Tailoring Question Workpaper and AUD-101S Overall Audit Program.

- **Risks** can be captured via the Risk Summary task pane from any Knowledge Coach workpaper by the current editor of KBA-502S Summary of Risk Assessments. This allows you to continuously assess risks during the engagement. Several workpapers prompt you to consider the presence of risks, but the Risk Summary task pane must be used to document those risks. All documented risks flow to the Risk Summary. To ensure risks show in findings tables, select the workpaper identified in field of the Risk pane.
- **Information Flow** helps reduce the time spent duplicating information across forms. In addition, the flow of consistent information ensures that information and updates to information are not missed between workpapers. Drill-down functionality helps the user navigate quickly to the source of the information, aiding in the review of the audit file.
- **Diagnostics** help track unresolved issues like unanswered questions, incomplete risks, program steps not linked to risks or relevant assertions, missing workpaper, and more.
- **Links to Accounting Research Manager (ARM)**, if you subscribe to an ARM library that includes audit content, point directly to source material from Resources in Knowledge Coach workpapers. These links reference the accounting standards under the FASB Accounting Standards Codifications and the auditing standards issued by the AICPA. Also, if you subscribe to the Knowledge-Based Single Audits Guide on ARM, you can take advantage of links to the audit guide material in the Knowledge Coach documents.

- **Interpretive Guidance** is integrated in each Knowledge Coach template through the Tips view of each new task pane. Informational features include Practice Points, Examples, Optional Workpapers, and Resources to help auditors work more effectively and efficiently. You can also navigate from Resources within a document or the tip pane directly to CCH's Accounting Research Manager and industry audit guides by simply clicking on the reference.

Download Description:	2019 Knowledge-Based Single Audits
Version:	Engagement and Knowledge Coach v2018 with CCH ProSystem fx Engagement v2018.2.4 Update or later OR Engagement and Knowledge Coach v2019 or later 2019 Compliance Base
Release Date:	October 2019
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Approx. Download Time:	42 minutes at 56 kbps
License:	Full Version
Platforms:	Microsoft® Windows® 7, 8.1, 10
Office:	Microsoft® Office 2013 or higher required