
Performing Agreed-Upon Procedures Engagements That Address the Completeness, Mapping, Consistency, or Structure of XBRL-Formatted Information

Introduction and Background

1. This Statement of Position (SOP) provides practitioners with guidance on performing agreed-upon procedures engagements for issuers submitting exhibits to the SEC containing eXtensible Business Reporting Language (XBRL) files¹ and is based on the application guidance of the principles and criteria in the exhibit of *Principles and Criteria for XBRL-Formatted Information*² (AICPA, *Technical Practice Aids*). However, this SOP also may be considered for performing agreed-upon procedures engagements for other applications of XBRL. This SOP supersedes SOP 09-1, *Performing Agreed-Upon Procedures Engagements That Address the Completeness, Accuracy, or Consistency of XBRL-Tagged Data*.

SEC Rules

2. The SEC issued a release, “Interactive Data to Improve Financial Reporting,” adopting final rules (SEC rules) that require issuers to submit their financial statements and the related notes and required schedules in interactive data format using XBRL an exhibit to their financial statements submitted to the SEC via the Electronic Data-Gathering,

1. Information formatted in interactive data is referred to herein as “XBRL files.”

2. *Principles and Criteria for XBRL-Formatted Information* (AICPA, *Technical Practice Aids*) provides preparers, reviewers, practitioners, and users of information formatted in XBRL with criteria for evaluating the completeness of the XBRL files, mapping of the source information, consistency of the XBRL files with the source information, or structure of the XBRL files.

Analysis, and Retrieval (EDGAR) system and to provide these XBRL files on their corporate websites.

3. In order for XBRL to be a useful tool for investors and other users of business information, the data contained in XBRL files needs to be accurate and reliable. Preparers of XBRL-formatted information are responsible for providing complete and accurate information in their XBRL files on which investors and other users of business information may rely. For issuers, the SEC rules emphasize the SEC's expectation that preparers of XBRL-formatted information take the initiative to develop practices to promote tagging processes that result in complete and accurate XBRL files.
4. The SEC rules³ state that, "an auditor will not be required to apply AU section 550, *Other Information in Documents Containing Audited Financial Statements*, AU section 722, *Interim Financial Information*, or AU section 711, *Filings under Federal Securities Statutes*, to the interactive data provided as an exhibit in a company's reports or registration statements, or to the viewable interactive data." Although the SEC rules do not require auditor involvement with the XBRL files, issuers may voluntarily obtain third-party services to assist them in assessing the quality of their XBRL files.

XBRL Terminology

5. In this SOP, the term *XBRL-formatted information* (commonly referred to as *tagged information*) means information that has been represented using XBRL and included in one or more electronic files. XBRL is a global standard that provides unique electronically readable codes (tags) representing each item in the financial statements or other business reports.
6. Taxonomies are dictionaries that contain the terms used in financial statements and other business reports and their corresponding XBRL tags. Taxonomies specify the elements to be used for individual items of information, such as the

3. The AU section numbers in the SEC rules refer to *PCAOB Standards and Related Rules*, "Interim Standards."

element for the line item “cash and cash equivalents,” and for a group of items, such as narrative disclosures. Taxonomies also identify relationships among terms, (for example, the term *cash and cash equivalents* is related to the term *current assets*). Business rules may be expressed within a taxonomy, such as “gross assets less accumulated depreciation should equal the net assets.” Reporting companies may add to the dictionaries of terms, relationships, and business rules (that is, they may extend the taxonomy).

Agreed-Upon Procedures Engagements

7. Given that management of an entity is responsible for the accuracy and reliability of the XBRL files, including identification of and compliance with the SEC’s requirements, management (or other specified parties, such as the audit committee) may decide to engage a practitioner to provide attestation services to assist it in assessing the quality of its XBRL files, which may include assessing the completeness of the XBRL files (completeness), the mapping of the source information (mapping), the consistency of the XBRL files with the source information (consistency), or the structure of the XBRL files (structure) as defined here:

Completeness of the XBRL files. All required information is formatted at the required level of detail, as defined by the SEC’s requirements. Only permitted information is included in the XBRL files.

Mapping of the source information. The elements selected are consistent with the meaning of the corresponding business reporting concepts in the source information in accordance with the SEC’s requirements.

Consistency of the XBRL files with the source information. All formatted information in the XBRL files is consistent with the source information and formatted in accordance with the SEC’s requirements.

Structure of the XBRL files. XBRL files are structured in accordance with the SEC’s requirements.

8. The engagement is performed under AT section 201, *Agreed-Upon Procedures Engagements* (AICPA,

Professional Standards). Not all of the provisions of AT section 201 are discussed in this SOP. Rather, this SOP includes guidance to assist practitioners in applying certain aspects of AT section 201 to the subject matter of XBRL files.

9. The specified parties are responsible for the sufficiency (nature, timing, and extent) of the agreed-upon procedures because they best understand their own needs. The practitioner performs the procedures and reports his or her findings. Because the procedures are intended to meet the needs of the specified parties and may not be appropriate for others, use of these reports is restricted to the specified parties.
10. To avoid misunderstanding, it is not appropriate for the entity to refer to services obtained from a practitioner in connection with an agreed-upon procedures engagement in a document that is available to anyone other than the specified parties (for example, general use audited financial statements or SEC filings).

Conditions for Engagement Performance

11. A practitioner may perform an agreed-upon procedures engagement described in this SOP provided that
 - a. the practitioner is independent.
 - b. management acknowledges its responsibilities for the XBRL files and provides the practitioner with one or more written assertions about its XBRL files. (Illustrative assertions are presented in appendix A of this SOP.)
 - c. the practitioner and the specified parties agree upon the procedures to be performed by the practitioner.
 - d. the specified parties take responsibility for the sufficiency of the agreed-upon procedures for their purposes.

- e. criteria for the determination of findings are agreed upon among the practitioner and the specified parties.
 - f. the procedures to be applied with respect to the completeness, mapping, consistency, or structure of the XBRL files are expected to result in reasonably consistent measurement using the criteria agreed upon by the specified parties.
 - g. evidential matter related to the completeness, mapping, consistency, or structure of the XBRL files is expected to exist to provide a reasonable basis for expressing the findings in the practitioner's report.
 - h. when applicable, the practitioner and the specified parties agree on any materiality limits for reporting purposes. (See the materiality discussion in paragraph 27.)
 - i. use of the report is restricted to the specified parties.
12. There are audit committee preapproval requirements applicable to acceptance of agreed-upon procedures engagements. Such requirements have been established by the SEC, PCAOB, and other regulatory bodies.

Agreement on and Sufficiency of Procedures

13. To satisfy the requirement that the practitioner and the specified parties agree upon the procedures performed or to be performed, and that the specified parties take responsibility for the sufficiency of those procedures for their purposes, ordinarily the practitioner should communicate⁴ directly with and obtain affirmative acknowledgment from each of the specified parties. For example, this may be accomplished by meeting with the specified parties or

4. Paragraph .07 of AT section 201, *Agreed-Upon Procedures Engagements* (AICPA, *Professional Standards*), does not require a written communication with the specified parties; it requires only that the practitioner communicate with and obtain affirmative acknowledgement from each of the specified parties. It generally is preferable that the agreement be in writing to avoid any misunderstandings regarding the procedures to be performed and responsibility for the sufficiency of the procedures.

distributing a draft of the anticipated report or a copy of an engagement letter to the specified parties and obtaining their agreement.

14. AT section 201 permits an agreed-upon procedures report to be used by multiple specified parties. However, because the objective of the engagement described in this SOP generally is to provide information to management or the audit committee of the entity about its XBRL files, ordinarily it is anticipated that the only specified parties will be management or the audit committee.
15. The practitioner should not report on an engagement if the specified parties do not agree upon the procedures performed or to be performed and do not take responsibility for the sufficiency of the procedures for their purposes.

Subject Matter and Related Assertions

16. XBRL files subject to agreed-upon procedures engagements are typically as of a specified date and for a specified period (for example, for SEC purposes the XBRL files may be for comparative financial statements in a specific Form 10-K annual report or Form 10-Q quarterly report). It is common for the agreed-upon procedures to be performed on draft, rather than final, XBRL files.
17. Because management may engage a third party to assist in the preparation of the XBRL files, assertions also may be made by a third party, as per paragraph .13 of AT section 101, *Attest Engagements* (AICPA, *Professional Standards*). For example, a service organization may make assertions that the XBRL files comply with specified SEC EDGAR Filer Manual (EFM) guidelines. Management, however, is responsible for all assertions, including any that are made by third parties.
18. Criteria are the standards or benchmarks used to measure, present, and evaluate the subject matter. Suitable criteria must be objective, measurable, complete, and relevant. Criteria to be used in the determination of findings are agreed upon between the practitioner and the specified parties. The specific procedures to be performed are

dependent on the relevant criteria against which the XBRL files are to be evaluated. Examples of criteria include those in the exhibit in *Principles and Criteria for XBRL-Formatted Information*, the SEC rules, and sections of the EFM⁵ that are agreed upon by the specified parties.

19. Appendix D of this SOP presents certain illustrative procedures aligned with the criteria presented in the exhibit of the *Principles and Criteria for XBRL-Formatted Information* that a practitioner might perform and findings that might be reported as part of an agreed-upon procedures engagement related to the completeness, mapping, consistency or structure of XBRL-formatted information. *Principles and Criteria for XBRL-Formatted Information* focuses on areas that require judgment. The principles and criteria are not designed for measuring compliance with all of the applicable SEC rules and regulations (that is, the EFM includes additional requirements that are not included in this SOP; for example, certain requirements that are checked in an automated manner and those using the SEC's EDGAR XBRL validation process are excluded as well as some SEC requirements related to structure of the XBRL files and format of the information). Therefore, the procedures herein are illustrative and do not represent a complete set of procedures that might be performed in an agreed-upon procedures engagement relating to XBRL-formatted information.

Establishing an Understanding With the Client

20. In accordance with paragraph .10 of AT section 201, the practitioner should establish an understanding with the client regarding the services to be performed. Such an understanding reduces the risk that the client may misinterpret the objectives and limitations of an agreed-upon procedures engagement. The understanding also reduces the risk that the client will misunderstand its responsibilities and the responsibilities of the practitioner. When the practitioner documents the understanding through a

5. Certain sections of the SEC's EDGAR Filer Manual (EFM) may not be objective enough to be considered suitable criteria.

written communication with the client (an engagement letter), such communication should be addressed to the client and might include statements

- confirming that an agreed-upon procedures engagement will be performed.
- identifying
 - the subject matter of the engagement (that is, the XBRL-formatted information that the specified parties are evaluating and to which the practitioner is to apply agreed-upon procedures) and any written assertion(s) related thereto.
 - the responsible party (for example, management).
 - the criteria for evaluating the XBRL-formatted information (for example, *Principles and Criteria for XBRL-Formatted Information*).
 - the specified parties.
 - any timing sensitivities in the performance of the procedures or delivery of the report.
- indicating that the objective of the practitioner's agreed-upon procedures is to present specific findings to assist the specified parties in evaluating the completeness, mapping, consistency, and structure of the entity's XBRL files.
- acknowledging the specified parties' responsibility for the sufficiency of the enumerated procedures.
- acknowledging management's responsibility for
 - compliance with the SEC's requirements including those related to the completeness, mapping, consistency and structure of the entity's XBRL files and its assertions thereon.
 - providing accurate and complete information to the practitioner.
 - identifying the practitioner's responsibilities, which include, but are not limited to
 - performing the enumerated procedures.

- providing management with a report and the circumstances under which the practitioner may decline to issue a report.
- indicating that the engagement will be conducted in accordance with attestation standards established by the AICPA.
- enumerating the procedures to be performed.
- acknowledging that
 - the practitioner makes no representation regarding the sufficiency of the enumerated procedures for the specified parties' purposes.
 - the practitioner has no responsibility for the completeness or accuracy of the information provided to the practitioner.
 - an agreed-upon procedures engagement does not constitute an examination, the objective of which would be the expression of an opinion on the completeness, mapping, consistency, and structure of the entity's XBRL files. The report will not express an opinion or any other form of assurance and, if additional procedures were performed, other matters might come to the practitioner's attention.
- identifying any assistance to be provided to the practitioner.
- describing any arrangements to involve a specialist.
- where applicable, agreeing upon materiality limits.
- indicating that use of the report will be restricted to the specified parties.

An illustrative engagement letter is presented in appendix B of this SOP.

Nature, Timing, and Extent of Procedures

Responsibilities of Management

21. Management is responsible for both the completeness and accuracy of the source information and compliance

with the SEC's requirements, including those related to the completeness, mapping, consistency, and structure of its XBRL-formatted information. That responsibility encompasses

- a. identifying the applicable XBRL-formatted information filing requirements of the SEC.
- b. establishing and maintaining controls relating to the preparation and submission of the entity's XBRL-formatted information to the SEC.
- c. evaluating the completeness, mapping, consistency, and structure of the entity's XBRL-formatted information.
- d. providing XBRL-formatted information in a form and manner that satisfies the SEC's requirements.

Responsibilities of the Practitioner

22. The practitioner is responsible for carrying out the procedures and reporting the findings in accordance with the general, fieldwork, and reporting standards for attestation engagements as established in AT section 50, *SSAE Hierarchy*. In order to accomplish this, the practitioner should have adequate knowledge of the specific subject matter to which the agreed-upon procedures are to be applied. That knowledge would include an understanding of XBRL and a familiarity with the applicable XBRL taxonomies used, knowledge of the SEC rules and requirements (including permitted taxonomies, such as the permitted version of the U.S. GAAP Taxonomy), as well as knowledge of the source information and supporting records.⁶

Procedures to Be Performed

23. The procedures that the practitioner and specified parties agree upon may be as limited or as extensive as the specified parties desire. However, mere reading of an assertion or specific information about the XBRL-

6. Practitioners performing engagements for audit clients may have specific knowledge of the underlying source information and supporting records and may possess a level of expertise that would significantly lessen the range of judgment needed in performing procedures related to the XBRL-formatted information.

formatted information does not constitute a procedure sufficient to permit a practitioner to report on the results of applying agreed-upon procedures. Because of the nature of agreed-upon procedures engagements related to XBRL files, procedures may be modified during the engagement. According to paragraph .15 of AT section 201, in general, there is flexibility in determining the procedures as long as the specified parties acknowledge responsibility for the sufficiency of such procedures for their purposes. However, paragraph .16 of AT 201 states that the practitioner should not agree to perform procedures that are overly subjective and thus possibly open to varying interpretations. Examples of appropriate procedures are included in appendix D of this SOP. Examples of inappropriate procedures include the following:

- Merely reading a description of the services performed by a third party involved in the preparation of XBRL-formatted information (for example, by a service provider)
- Evaluating the competence or objectivity of another party involved in preparing or in providing assistance in the preparation of the XBRL-formatted information
- Obtaining an understanding about XBRL-related requirements⁷

Involvement of a Specialist⁸

24. Generally, the use of a specialist would not be necessary. However, if specialized matters were included in the engagement that required expertise beyond that possessed by the practitioner (such as compliance with certain highly technical aspects of the EFM), the practitioner

7. Although the practitioner may need to obtain an understanding of XBRL-related requirements, obtaining such an understanding is not in itself an agreed-upon procedure (see paragraph 22 of this SOP).

8. A practitioner's specialist is an individual or organization possessing expertise in a field other than accounting or attestation, whose work in that field is used by the practitioner to assist the practitioner in the performance of the agreed-upon procedures engagement. A practitioner's specialist may be either a practitioner's internal specialist (who is a partner or staff, including temporary staff, of the practitioner's firm or a network firm) who does not participate in the engagement or a practitioner's external specialist.

and the specified parties should explicitly agree to the involvement of the specialist in assisting the practitioner in the performance of those agreed-upon procedures. This agreement may be reached when obtaining agreement on the procedures performed or to be performed and acknowledgment of responsibility for the sufficiency of the procedures, as discussed in paragraph 13. The practitioner's report should describe the nature of the assistance provided by the specialist.

25. A practitioner may agree to apply procedures to the report or work product of a specialist that does not constitute assistance by the specialist to the practitioner in an agreed-upon procedures engagement. For example, the practitioner may make reference to information contained in a report of a specialist in describing an agreed-upon procedure. However, it is inappropriate for the practitioner to agree to merely read the specialist's report solely to describe or repeat the findings or to take responsibility for all or a portion of any procedures performed by a specialist or the specialist's work product.

Reporting Considerations

26. A practitioner's report on agreed-upon procedures should be in the form of procedures and findings. The practitioner should not provide negative assurance in his or her report about the completeness, mapping, consistency, or structure of the XBRL files. For example, the practitioner should not include a statement that "nothing came to our attention that caused us to believe that the assertion is not fairly stated in accordance with the criteria."
27. The practitioner should report all findings from the application of the agreed-upon procedures. The concept of materiality does not apply to findings to be reported in an agreed-upon procedures engagement unless the definition of materiality is agreed to by the specified parties. Any agreed-upon materiality limits should be described in the practitioner's report.

28. The practitioner's report on agreed-upon procedures should include all of the following elements:
- a.* A title that includes the word "independent"
 - b.* Identification of the specified parties
 - c.* Identification of the subject matter (and any written assertion related thereto) and the character of the engagement
 - d.* Identification of the party responsible for the XBRL files (for example, management)
 - e.* A statement that the subject matter (and any written assertions related thereto) are the responsibility of the responsible party (for example, management)
 - f.* A statement that the procedures performed were those agreed to by the specified parties identified in the report
 - g.* A statement that the agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the AICPA
 - h.* A statement that the sufficiency of the procedures is solely the responsibility of the specified parties and a disclaimer of responsibility for the sufficiency of those procedures
 - i.* A list of the procedures performed (or reference thereto) and related findings
 - j.* Where applicable, a description of any agreed-upon materiality limits (Refer to the materiality discussion in paragraph 27.)
 - k.* A statement that the practitioner was not engaged to examine and did not conduct an examination of the subject matter (or the written assertion related thereto), the objective of which would be the expression of an opinion, a disclaimer of opinion on the subject matter (or the written assertion related thereto), and a statement that if the practitioner had performed additional procedures, other matters might have come to his or her attention that would have been reported

- l.* A statement restricting the use of the report to the specified parties and that the report is intended solely for the use of the specified parties
- m.* Where applicable, reservations or restrictions concerning procedures or findings
- n.* Where applicable, a description of the nature of the assistance provided by a specialist
- o.* The manual or printed signature of the practitioner's firm
- p.* The date of the report

An illustrative report is presented in appendix E of this SOP.

29. The date of completion of the agreed-upon procedures should be used as the date of the practitioner's report.

Explanatory Language in the Practitioner's Agreed-Upon Procedures Report

30. The practitioner may include explanatory language in his or her agreed-upon procedures report related to matters such as the following:
 - Disclosure of stipulated facts, assumptions, or interpretations (including the source thereof) used in the application of agreed-upon procedures.
 - Description of the condition of records, controls, or data to which the procedures were applied.
 - Explanation that the practitioner has no responsibility to update his or her report.
 - Explanation of sampling risk.
 - Explanation that the procedures performed do not address all of the SEC's requirements for XBRL submissions.

- Explanation that the XBRL files and source information may be updated prior to filing with the SEC. Accordingly, the findings in the report may not correspond to the final XBRL files submitted.

Adding Specified Parties (Nonparticipant Parties)

31. Subsequent to the completion of the agreed-upon procedures engagement, a practitioner may be requested to consider the addition of another party as a specified party (a nonparticipant party). The practitioner may agree to add a nonparticipant party as a specified party, based on consideration of such factors as the identity of the nonparticipant party and the intended use of the report. If the practitioner does agree to add the nonparticipant party, he or she should obtain affirmative acknowledgment, normally in writing, from the nonparticipant party agreeing to the procedures performed and taking responsibility for the sufficiency of the procedures. If the nonparticipant party is added after the practitioner has issued his or her report, the report may be reissued or the practitioner may provide other written acknowledgment that the nonparticipant party has been added as a specified party. If the report is reissued, the report date should not be changed. If the practitioner provides written acknowledgment that the nonparticipant party has been added as a specified party, such written acknowledgment ordinarily should state that no procedures have been performed subsequent to the date of the report.
32. Many companies hire a third party entity to create the XBRL files or assist them with the tagging process. When a third party does not agree to the procedures and, therefore, does not become a specified party, use of the report by the third party is inappropriate. Such a party, typically, is not considered a specified party to the engagement because it performs this work under the direction of management and is not intending to evaluate the XBRL files based on the agreed-upon procedures and related findings. As a

result, the practitioner's findings should be communicated directly to management for its evaluation and consideration, which may result in management providing direction to the third party service provider to make changes to the XBRL files.

Written Representations

33. During an attest engagement, the responsible party (for example, management) makes many representations to the practitioner, both oral and written, in response to specific inquiries or through the presentation of the subject matter or an assertion. A practitioner may find a representation letter to be a useful and practical means of obtaining representations from the responsible party. An illustrative representation letter is presented in appendix C of this SOP.
34. If management refuses to furnish all written representations that the practitioner deems necessary, the practitioner should consider whether to disclose in his or her report the inability to obtain representations from the responsible party, withdraw from the engagement, or change the engagement to another form of engagement.

Knowledge of Matters Outside Agreed-Upon Procedures

35. The practitioner need not perform procedures beyond the agreed-upon procedures. However, in connection with the application of agreed-upon procedures, if matters come to the practitioner's attention by other means that significantly contradict the subject matter (or written assertions related thereto) referred to in the practitioner's report, the practitioner should include this matter in his or her report (for example, if during the course of performing agreed-upon procedures that address XBRL-formatted financial statements and the related notes and required schedules submitted as an exhibit to the SEC, the practitioner becomes aware by means other than performing the agreed upon procedures that a calculation linkbase has been

omitted, the practitioner should include this matter in his or her report).

Effective Date

36. This SOP is effective for any XBRL agreed-upon procedures engagements accepted subsequent to the issuance of this SOP.

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