



Memorandum

Date: January 29, 2021

To: GAO's Financial Management and Assurance Team (FMA)
Council of the Inspectors General on Integrity and Efficiency
Financial Audit Community

From: James R. Dalkin, Director, FMA
Phyllis Anderson, Assistant Director, FMA, Michael Bingham, Auditor-in-Charge, FMA, and
Christina Quattrociocchi, Senior Auditor, FMA

Subject: *Professional Standards Update No. 79, July through December 2020*

To alert you to changes in professional standards, we periodically issue *Professional Standards Updates* (PSU). The purpose of these updates is to highlight the effective dates and issuance of recent standards and guidance related to engagements conducted in accordance with *Government Auditing Standards*.¹ PSUs contain summary information only, and those affected by a change should refer to the respective standard or guidance for details. This PSU has three sections.

- Section I identifies selected standards and guidance that are coming into effect and are relevant for audits of financial statements for periods that ended in June 2020 through December 2020.
- Section II identifies selected standards and guidance that have been deferred but would have been relevant for audits of financial statements for periods ending June 2020 through December 2020.
- Section III identifies selected standards and guidance that were issued from July 2020 through December 2020.

¹ GAO, *Government Auditing Standards: 2018 Revision*, [GAO-18-568G](#) (Washington, D.C.: July 2018).

(This page is intentionally left blank.)

Professional Standards Update No. 79

Table of Contents

| | |
|--|-----------|
| Section I: Selected Standards and Guidance Coming into Effect | 5 |
| Section II: Selected Standards and Guidance Deferred | 9 |
| Section III: Selected Standards and Guidance Issued July 2020 through December 2020 | 11 |

(This page is intentionally left blank.)

Section I: Selected Standards and Guidance Coming into Effect

This section identifies selected standards and guidance coming into effect relevant for audits of financial statements with periods ending in June 2020 through December 2020. Table 1 provides an overview; detailed information follows the table. Those affected should refer to the respective standard or guidance as effective dates may vary.

Table 1: Selected Standards and Guidance Relevant for Financial Statement Audits Coming Into Effect

| Standard setter and issuer of guidance | Standard or guidance | Selected standards or guidance coming into effect for financial audits |
|---|--|---|
| Government Accountability Office | Government Auditing Standards | <i>Government Auditing Standards: 2018 Revision</i> Coronavirus Disease 2019 (COVID-19) Alerts |
| American Institute of Certified Public Accountants | Statements on Auditing Standards and other guidance | SAS No. 141, <i>Amendment to the Effective Dates of SAS Nos. 134–140</i> <i>FAQs — Audit Matters and Auditor Reporting Issues Related to COVID-19</i> <i>FAQs — SOC 1® and SOC 2® Issues Arising from COVID-19</i> |
| Federal Accounting Standards Advisory Board (FASAB) | Concepts, statements, technical bulletins, interpretations, and technical releases | Statement of Federal Financial Accounting Concepts (SFFAC) 9, <i>Materiality: Amending Statement of Federal Financial Accounting Concepts (SFFAC) 1, Objectives of Federal Financial Reporting, and SFFAC 3, Management’s Discussion and Analysis</i> Statement of Federal Financial Accounting Standards (SFFAS) 57, <i>Omnibus Amendments 2019</i> FASAB Technical Bulletin 2020-1, <i>Loss Allowance for Intragovernmental Receivables</i> Interpretation of SFFAS 9, <i>Cleanup Cost Liabilities Involving Multiple Component Reporting Entities: An Interpretation of SFFAS 5 & 6</i> |
| Financial Accounting Standards Board | Accounting Standards Updates (ASU) | A significant number of ASUs came into effect. See detail below for the link to the ASUs with effective dates. |
| Government Accounting Standards Board (GASB) | Statements and implementation guides | GASB Statement No. 95, <i>Postponement of the Effective Dates of Certain Authoritative Guidance</i> GASB Statement No. 83, <i>Certain Asset Retirement Obligations</i> GASB Statement No. 84, <i>Fiduciary Activities</i> GASB Statement No. 88, <i>Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements</i> GASB Statement No. 90, <i>Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61</i> Implementation Guide No. 2018-1, <i>Implementation Guidance Update—2018</i> Implementation Guide No. 2019-2, <i>Fiduciary Activities</i> |
| Office of Management and Budget (OMB) | Circulars and guidance ^a | OMB Circular No. A-136, <i>Financial Reporting Requirements – Revised</i> |
| Department of the Treasury (Treasury) | <i>Treasury Financial Manual</i> and Treasury Bulletins | Updated guidance in the Treasury Financial Manual and Treasury Bulletins |

^aOMB memorandums are not included in this summary. Refer to OMB <https://www.whitehouse.gov/omb/information-for-agencies/memoranda/>
Source: GAO

A. AUDITING STANDARDS AND GUIDANCE

Government Accountability Office (GAO)

Government Auditing Standards ([Click here for link](#))

- **Government Auditing Standards: 2018 Revision** (July 2018) is effective for financial audits, attestation engagements, and reviews of financial statements for periods ending on or after June 30, 2020, and for performance audits beginning on or after July 1, 2019.²
- **COVID-19: GAGAS CPE Alert** (May 2020) is effective as of February 29, 2020. GAO provides three exceptions to generally accepted government auditing standards (GAGAS) continuing professional education requirements for circumstances related to the Coronavirus Disease 2019 (COVID-19) pandemic. This alert also clarifies an existing GAGAS exemption that may be used in this situation.
- **COVID-19: GAGAS Audit Alert** (August 2020) contains *nonauthoritative* guidance and provides considerations and reminders—given the circumstances related to the COVID-19 pandemic—for audits of new government programs arising from the pandemic response and ongoing audits.

American Institute of Certified Public Accountants (AICPA)

Statements on Auditing Standards (SAS) ([Click here for link](#))

- **SAS No. 141, Amendment to the Effectives Dates of SAS Nos. 134-140** (May 2020), changed the effective dates of SAS Nos. 134 through 140 from December 15, 2020, to December 15, 2021. See Section II: Selected Standards and Guidance Deferred for details.

Other Guidance

- **FAQs — Audit Matters and Auditor Reporting Issues Related to COVID-19** (April 2020) ([click here for link](#)) provides answers to frequently asked questions (FAQ) and lists topics to aid (1) practitioners as they perform audit engagements and (2) preparers of financial statements.
- **FAQs — SOC 1® and SOC 2® Issues Arising from COVID-19** (April 2020) ([click here for link](#)) provides answers to FAQs and lists topics to aid practitioners as they perform *Report on Controls at a Service Organization Relevant to User Entities' Internal Control over Financial Reporting* (SOC 1®) and *Report on Controls at a Service Organization Relevant to Security, Availability, Processing Integrity, Confidentiality or Privacy* (SOC 2®) engagements.

B. ACCOUNTING STANDARDS AND GUIDANCE

Federal Accounting Standards Advisory Board (FASAB)

Concepts, Statements, Technical Bulletins, Interpretations, and Technical Releases ([Click here for link](#))

- **Statement of Federal Financial Accounting Concepts (SFFAC) 9, Materiality: Amending Statement of Federal Financial Accounting Concepts (SFFAC) 1, Objectives of Federal Financial Reporting, and SFFAC 3, Management's Discussion and Analysis** (May 2020), was effective upon issuance. SFFAS 9 updates concepts related to the application of materiality.
- **Statement of Federal Financial Accounting Standards (SFFAS) 57, Omnibus Amendments 2019** (September 2019), consists of amendments with multiple effective dates. The only amendment that is effective for reporting periods beginning after September 30, 2019, is in paragraph 2. Early adoption was not permitted. SFFAS 57, paragraph 2, eliminates the required supplementary stewardship information category by rescinding SFFAS 8, *Supplementary Stewardship Reporting*.
- **FASAB Technical Bulletin 2020-1, Loss Allowance for Intragovernmental Receivables** (February 2020), is effective upon issuance and clarifies existing standards regarding intragovernmental accounts receivable and related recognition standards and reporting. SFFAS 1, *Accounting for*

²Issuance dates for standards and guidance are in parentheses.

Selected Assets and Liabilities, establishes the definition, recognition, measurement, and disclosure requirements for accounts receivable.

- **Interpretation of Federal Financial Accounting Standards 9, *Cleanup Cost Liabilities Involving Multiple Component Reporting Entities: An Interpretation of SFFAS 5 & 6*** (August 2019), is effective for reporting periods beginning after September 30, 2019. Early implementation is permitted. This interpretation provides clarification and guidance regarding cleanup cost liabilities when the component reporting entity responsible for reporting on an asset during its useful life is different from the component reporting entity that will eventually be responsible for settling the liability for the cleanup cost of that asset.

Financial Accounting Standards Board (FASB)

Accounting Standards Updates (ASU)

- The FASB Accounting Standards Codification® (FASB Codification) is the sole source of authoritative generally accepted accounting principles (GAAP) other than Securities and Exchange Commission (SEC)–issued rules and regulations that apply only to SEC registrants. FASB issues an ASU to communicate changes to the FASB Codification, including changes to nonauthoritative SEC content. ASUs are not authoritative standards. To view the effective dates of ASUs, [click here for link](#).

Government Accounting Standards Board (GASB) ([Click here for link](#))

Statements and Implementation Guides³

- **GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*** (May 2020), states that the effective dates of certain pronouncements listed in the standard are postponed by either 1 year or 18 months. The primary objective of this statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic by postponing the effective dates of certain provisions in statements and implementation guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.
- **GASB Statement No. 83, *Certain Asset Retirement Obligations*** (November 2016), is effective for reporting periods beginning after June 15, 2019, per GASB Statement No. 95. Earlier application is encouraged. This statement addresses accounting and financial reporting for certain asset retirement obligations (ARO). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this statement.
- **GASB Statement No. 84, *Fiduciary Activities*** (January 2017), requirements for GASB Statement No. 84 are effective for reporting periods beginning after December 15, 2019, per GASB Statement No. 95. Earlier application is encouraged. This statement establishes criteria for identifying fiduciary activities of all state and local governments. The criteria generally focus on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. This statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources.
- **GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*** (March 2018), takes effect for reporting periods beginning after June 15, 2019,

³The effective dates of GASB standards are reporting periods beginning after a certain date. For purposes of GASB standards and implementation guides, it was assumed that reporting periods are a year. For example, statements effective for reporting periods beginning after December 15, 2019, will come into effect for the first time for financial audits for periods ending December 15, 2020, and later, and requirements effective for reporting periods beginning after June 15, 2020, will come into effect for the first time for financial audits for periods ending June 15, 2021, and later.

per GASB Statement No. 95. Earlier application is encouraged. The primary objective of this statement is to improve the information in notes to government financial statements related to debt, including direct borrowings and direct placements.

- **GASB Statement No. 90**, *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61* (August 2018), is effective for reporting periods beginning after December 15, 2019, per GASB Statement No. 95. Earlier application is encouraged. The objectives of this statement are to improve the consistency and comparability in reporting a government’s majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units.
- **Implementation Guide No. 2018-1**, *Implementation Guidance Update—2018* (May 2018), is effective for reporting periods beginning after June 15, 2019, per GASB Statement No. 95. Its objective is to provide guidance that clarifies, explains, or elaborates on GASB statements.
- **Implementation Guide No. 2019-2**, *Fiduciary Activities* (June 2019), is effective for financial reporting periods beginning after December 15, 2019, per GASB Statement No. 95. Earlier application is encouraged if Statement No. 84, *Fiduciary Activities*, has been implemented. The objective of this guide is to clarify, explain, or elaborate on the requirements of Statement No. 84, *Fiduciary Activities*.

C. REGULATORY GUIDANCE

Office of Management and Budget (OMB)

Circulars and Guidance (listed only) ([Click here for link](#))

- **OMB Circular No. A-136**, *Financial Reporting Requirements – Revised* (August 2020)

Department of the Treasury (Treasury)

Treasury Financial Manual (TFM), <https://tfm.fiscal.treasury.gov/>

Treasury Bulletins, <https://tfm.fiscal.treasury.gov/v1/bull.html>

Section II: Selected Standards and Guidance Deferred

This section identifies selected standards and guidance that have been deferred but would have been relevant for financial audits with periods ending June 2020 through December 2020. Those affected by a new standard or guidance should refer to that standard or guidance for details, as effective dates may vary in some circumstances.

A. AUDITING STANDARDS AND GUIDANCE

American Institute of Certified Public Accountants (AICPA)

Statements on Auditing Standards (SAS) ([Click here for link](#))

- **SAS No. 134**, *Auditor Reporting and Amendments, Including Amendments Addressing Disclosures in the Audit of Financial Statements*, as amended
- **SAS No. 135**, *Omnibus Statement on Auditing Standards — 2019*
- **SAS No. 136**, *Forming an Opinion and Reporting on Financial Statements of Employee Benefit Plans Subject to ERISA*, as amended
- **SAS No. 137**, *The Auditor's Responsibilities Relating to Other Information Included in Annual Reports*
- **SAS No. 138**, *Amendments to the Description of the Concept of Materiality*
- **SAS No. 139**, *Amendments to AU-C Sections 800, 805, and 810 to Incorporate Auditor Reporting Changes from SAS No. 134*
- **SAS No. 140**, *Amendments to AU-C Sections 725, 730, 930, 935, and 940 to Incorporate Auditor Reporting Changes from SAS Nos. 134 and 137*

SAS No. 141, *Amendment to the Effective Dates of SAS Nos. 134–140* (May 2020), amended the effective dates of SAS Nos. 134 through 140 and the amendments to other statements made in SAS Nos. 134 through 140, generally, for periods ending on or after December 15, 2020, to periods ending on or after December 15, 2021. SAS Nos. 134, 136 through 137 and 139 through 140, as originally issued, did not permit early implementation. Early implementation is no longer precluded. SAS Nos. 134 and 136 through 140 are interrelated because the Auditing Standards Board (ASB) amended the auditor reporting model adopted in SAS No. 134 by issuing the subsequent statements. The effective dates were aligned so that these would be implemented as a suite, primarily to accommodate the amendments to the auditor reporting model. Accordingly, ASB recommends that all of these statements be implemented concurrently.

B. ACCOUNTING STANDARDS AND GUIDANCE

Government Accounting Standards Board (GASB) ([Click here for link](#))

Statements and Implementation Guides⁴

- **GASB Statement No. 87**, *Leases* (June 2017), is effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged. The objective of this statement is improve accounting and financial reporting for leases by governments to better meet the information needs of financial statement users.
- **GASB Statement No. 89**, *Accounting for Interest Cost Incurred before the End of a Construction Period* (June 2018), is effective for reporting periods beginning after December 15, 2020, and earlier application is encouraged. The requirements of this statement should be applied prospectively. The

⁴The effective dates of GASB standards are reporting periods beginning after a certain date. For purposes of this section, it was assumed that reporting periods are a year. For example, requirements effective for reporting periods beginning after June 15, 2020, will come into effect for the first time for financial audits for periods ending June 15, 2021, and later.

objectives of this statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

- **Implementation Guide No. 2019-1**, *Implementation Guidance Update—2019* (April 2019), is effective for reporting periods beginning after June 15, 2020. Its objective is to provide guidance that clarifies, explains, or elaborates on GASB statements.
- **Implementation Guide No. 2019-3**, *Leases* (August 2019), is effective for fiscal years beginning after June 15, 2021, and all reporting periods thereafter. Earlier application is encouraged if Statement 87 has been implemented. Its objective is to provide guidance that clarifies, explains, or elaborates on the requirements of GASB No. 87, *Leases*.

Section III: Selected Standards and Guidance Issued July 2020 through December 2020

This section includes selected standards and related guidance issued from July 2020 through December 2020 to the extent that such materials were publicly available as of December 31, 2020. The purpose of these updates is to highlight the issuance and some key points of recent standards and guidance. This *Professional Standards Update* only summarizes the standards or guidance. Those affected by these changes should refer to the respective standard or guidance for details.

A. AUDITING AND ATTESTATION STANDARDS AND GUIDANCE

Government Accountability Office (GAO)

Government Auditing Standards ([Click here for link](#))

- **COVID-19: GAGAS Audit Alert** (August 2020) contains *nonauthoritative* guidance and provides considerations and reminders—given the circumstances related to the COVID-19 pandemic—for audits of new government programs arising from the pandemic response and ongoing audits.

American Institute of Certified Public Accountants (AICPA)

Statements on Auditing Standards (SAS) ([Click here for link](#))

- **SAS No. 142, *Audit Evidence*** (July 2020), provides guidance on what constitutes audit evidence in an audit of financial statements and sets out attributes of information that the auditor takes into account when evaluating information to be used as audit evidence. Taking these attributes into account assists the auditor in maintaining professional skepticism. This SAS is effective for audits of financial statements for periods ending on or after December 15, 2022.
- **SAS No. 143, *Auditing Accounting Estimates and Related Disclosures*** (July 2020), addresses the auditor's responsibilities relating to accounting estimates, including fair value accounting estimates and related disclosures, in an audit of financial statements. It also includes requirements and guidance related to evaluating misstatements of accounting estimates and related disclosures and indicators of possible management bias. This statement is effective for audits of financial statements for periods ending on or after December 15, 2023.

Statements on Standards for Attestation Engagements (SSAE) ([Click here for link](#))

- **SSAE No. 21, *Direct Examination Engagements*** (September 2020), adds a new AT-C section (designated as AT-C section 206, *Direct Examination Engagements*) to the attestation standards that enables practitioners to perform an examination engagement in which the practitioner obtains reasonable assurance by measuring or evaluating underlying subject matter against criteria and expressing an opinion that conveys the results of that measurement or evaluation. This SSAE is effective for reports dated on or after June 15, 2022.
- **SSAE No. 22, *Review Engagements*** (December 2020), revises AT-C section 210 for consistency with AT-C section 205, *Assertion-Based Examination Engagements* (pursuant to SSAE No. 21, *Direct Examination Engagements*); more clearly describes the types of procedures a practitioner may perform in a review engagement; revises the reporting requirements for an attestation review for additional transparency; and consistent with Statement on Standards for Accounting and Review Services No. 25, *Materiality in a Review of Financial Statements and Adverse Conclusions*, permits the expression of an adverse conclusion. This SSAE is effective for practitioners' review reports dated on or after June 15, 2022. Early implementation is permitted only if a practitioner also implements early the amendments to AT-C section 105 included in SSAE No. 21, *Direct Examination Engagements*.

Audit Risk Alerts ([Click here for link](#))

- The audit risk alert *Employee Benefit Plans Industry Developments — 2019* was discontinued in August 2020.

Other Guidance ([Click here for link](#))

- **Government Auditing Standards and Single Audits**
The 2020 Audit Guide was updated for *Government Auditing Standards: 2018 Revision* in August 2020.
- **State and Local Governments**
This guide features insights, comparisons, and best practices for areas such as leases, fiduciary activities, pensions, and postemployment benefits other than pensions. This guide covers of audit and accounting considerations for both preparers and auditors and was updated in August 2020.
- **Preparation, Compilation, and Review Engagements**
This guide was updated in September 2020 and contains the latest developments in performing preparation, compilation, and review engagements.
- **Employee Benefit Plans (EBP)**
The 2020 edition of this guide has been updated to reflect implementation of SAS No. 136, *Forming an Opinion and Reporting on Financial Statements of Employee Benefit Plans Subject to ERISA, as amended* (AU-C sec. 703), and other new auditing standards issued in 2019, as applicable. For EBP audit engagements that are not implementing these new auditing standards early, the audit guidance in the 2019 edition continues to apply.

International Auditing and Assurance Standards Board (IAASB)

International Standards on Auditing (ISA) ([Click here for link](#))

- **ISA 220 (Revised)**, *Quality Management for an Audit of Financial Statements* (December 2020), addresses the specific auditor responsibilities regarding quality management at the engagement level for an audit of financial statements and the related responsibilities of the engagement partner. ISA 220 (Revised) clarifies and strengthens the key elements of quality management at the engagement level. It focuses on the critically important role of the engagement partner in managing and achieving quality on the audit engagement, and reinforces the importance of quality to all members of the engagement team. ISA 220 (Revised) is effective for audits of financial statements for periods beginning on or after December 15, 2022.

International Standards on Quality Management (ISQM) ([Click here for link](#))

- **ISQM 1**, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (December 2020), replaces the IAASB's current standard, International Standard on Quality Control (ISQC) 1, which addresses firms' systems of quality control. Under ISQM 1, each firm is required to design a system of quality management to manage the quality of engagements performed by the firm. ISQM 1 applies to all firms that perform audits or reviews of financial statements, or other assurance or related services engagements (i.e., if a firm performs any of these engagements, ISQM 1 applies to managing quality for those engagements). Firms are required to have their systems of quality management designed and implemented by December 15, 2022.
- **ISQM 2**, *Engagement Quality Reviews* (December 2020), addresses the scope of engagements subject to an engagement quality (EQ) review. The performance of an EQ review is undertaken at the engagement level by the EQ reviewer on behalf of the firm. Accordingly, ISQM 2 addresses the appointment and eligibility of the EQ reviewer and the EQ reviewer's responsibilities relating to performing and documenting an EQ review. ISQM 2 is effective for audits and reviews of financial statements for periods beginning on or after December 15, 2022, and other assurance and related services engagements beginning on or after December 15, 2022.

B. ACCOUNTING STANDARDS AND GUIDANCE

Federal Accounting Standards Advisory Board (FASAB)

- Concepts, Statements, Technical Bulletins, Interpretations, and Technical Releases ([Click here for link](#)) FASAB did not issue new or updated concepts, statements, technical bulletins, interpretations, and technical releases during the period covered by this *Professional Standards Update*.

Financial Accounting Standards Board (FASB)

Accounting Standards Updates (listed only) ([Click here for link](#))

- **Accounting Standards Update No. 2020-06**, *Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity’s Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity’s Own Equity* (August 2020)
- **Accounting Standards Update No. 2020-07**, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* (September 2020)
- **Accounting Standards Update No. 2020-08**, *Codification Improvements to Subtopic 310-20, Receivables—Nonrefundable Fees and Other Costs* (October 2020)
- **Accounting Standards Update No. 2020-09**, *Debt (Topic 470): Amendments to SEC Paragraphs Pursuant to SEC Release No. 33-10762* (October 2020)
- **Accounting Standards Update No. 2020-10**, *Codification Improvements* (October 2020)
- **Accounting Standards Update No. 2020-11**, *Financial Services—Insurance (Topic 944)* (November 2020)

Government Accounting Standards Board (GASB) ([Click here for link](#))

- GASB Technical Bulletins
Technical Bulletin No. 2020-1, *Accounting and Financial Reporting Issues Related to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and Coronavirus Diseases* (June 2020), is effective immediately.

C. REGULATORY GUIDANCE

Office of Management and Budget (OMB)

Circulars and Guidance (listed only) ([Click here for link](#))

- **OMB Circular No. A-11**, *Preparing, Submitting, and Executing the Budget* (July 10, 2020, and December 23, 2020), provides guidance on preparing the fiscal year 2022 budget and instructions on budget execution. The December 2020 revision removes part 6, *The Federal Performance Framework for Improving Program and Service Delivery*, from the circular.
- **OMB Circular No. A-136**, *Financial Reporting Requirements* (August 27, 2020).
- **Memorandums** ([Click here for link](#))

Department of the Treasury (Treasury)

Treasury Financial Manual (TFM) ([Click here for link](#))

- **TFM, Volume I, Part 6**, *Chapter 9500: Revised Federal Financial Management System Requirements for Fiscal Reporting* (July 23, 2020), notifies agencies of the revised Federal Financial Management System Requirements. For agencies subject to the Chief Financial Officers Act of 1990 (CFO Act), this chapter provides guidance for determining compliance with the Federal Financial Management Improvement Act of 1996 (FFMIA). Appendix 1 contains the revised requirements.
- **TFM, Volume I, Part 2**, *Chapter 5100, Fund Balance with Treasury Accounts* (August 25, 2020), prescribes policies and procedures for agencies’ Fund Balance with Treasury accounts.

- **TFM, Volume I, Part 2, Chapter 4200: Agency Year-End Reporting on Unexpended Balances of Appropriation Accounts** (October 27, 2020), prescribes guidance for reporting year-end unexpended balances of appropriations to the Bureau of the Fiscal Service through Government-wide Treasury Account Symbol Adjusted Trial Balance System (GTAS).

Treasury Bulletins ([Click here for link](#))

- **TFM, Volume I, Bulletin No. 2021-08, Federal Account Symbols and Titles (FAST Book)** (December 18, 2020), notifies agencies that the FAST Book has been revised. The FAST Book displays the three-digit agency identifier code for the account lists and displays the two-digit agency identifier code in parentheses after the agency's name for reference. This bulletin rescinds TFM Volume I Bulletin No. 2020-16, *Federal Account Symbols and Titles (FAST Book)*, and is effective immediately.
- **TFM, Volume I, Bulletin No. 2021-07, Change to Bulletin No. 2020-15, U.S. Standard General Ledger (USSGL) —A Treasury Financial Manual (TFM) Supplement** (December 17, 2020), notifies agencies that parts 1 and 2 of the USSGL Supplement have been revised for fiscal years (FY) 2020 and 2021. Requirements for both parts and both fiscal years are effective immediately.

D. INTERNAL AUDIT GUIDANCE

Institute of Internal Auditors (IIA)

The International Professional Practices Framework (IPPF) is the conceptual framework that organizes authoritative guidance promulgated by the IIA. The IIA provides internal audit professionals with authoritative guidance organized in the IPPF. IIA implementation guides assist internal auditors in applying the IPPF and IIA's Code of Ethics. They collectively address internal auditing's approach, methodologies, and consideration, but do not detail processes or procedures. IIA supplemental guidance provides detailed guidance for conducting internal audit activities. To review recently issued IIA guidance, [click here](#).