



**ASSEMBLY AMENDMENT 2,
TO ASSEMBLY BILL 669**

February 5, 2014 – Offered by Representative MARKLEIN.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 6, line 20: substitute “or any other engagement” for “~~or any other~~
3 engagement”.

4 **2.** Page 6, line 23: after “review” insert “or compilation”.

5 **3.** Page 8, line 20: before that line insert:

6 “**SECTION 18m.** Accy 9.01 (2) of the administrative code is amended to read:

7 Accy 9.01 (2) “Engagement review” means to review read the financial
8 statements and other information submitted by the reviewed firm or required under
9 applicable professional standards, and the accountant’s report on those statements
10 and that information, of a firm that performs at its highest level of service only
11 services under SSARS or services under the SSAE not included in a system review.
12 An engagement review is usually performed at a location other than the reviewed
13 firm’s office. In The objective of an engagement review, the reviewers are required

1 to review the financial statements and accompanying accountant's report for
2 compliance with professional standards, and is to determine whether the firm's
3 working paper documentation conforms engagements submitted for review conform
4 to the requirements of the SSARS and SSAES that are applicable to these
5 engagements applicable professional standards in all material respects.”.

6 **4.** Page 8, line 20: after that line insert:

7 “**SECTION 19c.** Accy 9.01 (5) of the administrative code is amended to read:

8 Accy 9.01 (5) “SAS” means ~~statements~~ the Statements on auditing standards
9 Auditing Standards issued by the auditing standards board of the American
10 Institute of Certified Public Accountants.

11 **SECTION 19g.** Accy 9.01 (6) of the administrative code is amended to read:

12 Accy 9.01 (6) “SSAE” means the ~~statements~~ Statements on standards
13 Standards for attestation ~~engagements~~ Attestation Engagements issued by the
14 auditing standards board, the accounting and review services committee, and the
15 consulting services executive committee of the American Institute of Certified Public
16 Accountants.

17 **SECTION 19n.** Accy 9.01 (7) of the administrative code is amended to read:

18 Accy 9.01 (7) “SSARS” means the ~~statements~~ Statements on standards
19 Standards for ~~accounting~~ Accounting and ~~review services~~ Review Services issued by
20 the accounting and review services committee of the American Institute of Certified
21 Public Accountants.

22 **SECTION 19r.** Accy 9.01 (8) (intro). of the administrative code is renumbered

23 Accy 9.01 (8) and amended to read:

1 Accy 9.01 (8) “System review” means to review a firm that, at the firm’s highest
2 level of service, performs engagements under the SAS or the Government Auditing
3 Standards (Yellow Book), examinations of prospective financial statements under
4 the SSAE. System reviews are usually performed at the reviewed firm’s office, or
5 audits of non-SEC issuers pursuant to the standards of the Public Company
6 Accounting Oversight Board. A system review is intended to provide the reviewer
7 with a reasonable basis for expressing both of the following opinions during the
8 period under review: includes determining whether the firm’s system of quality
9 control for its accounting and auditing practice is designed and enforced to provide
10 the firm with reasonable assurance of performing and reporting in conformity with
11 applicable professional standards, including the Statements on Quality Control
12 Standards, No. 8, of the American Institute of Certified Public Accountants, in all
13 material respects.

14 **SECTION 19w.** Accy 9.01 (8) (a) and (b) of the administrative code are repealed.”.

15 (END)