

U.S. GAAP Checklist Tool Service Pack 2

Deloitte Client User Guide
and Frequently Asked Questions

December 2011



U.S. GAAP Checklist Tool — Client User Guide and FAQs

- Overview..... 3
 - What’s new in the U.S. GAAP checklist tool Service Pack 2 (October 2011 release) 3
 - Checklist tool overview 4
 - Technical Library..... 5
 - Help and feedback..... 5
- Clients access the U.S. GAAP checklist at: 6
- The scoping activity 6
 - Scoping overview..... 7
 - Excluding from scope 7
 - Review scoping..... 8
 - Print scoping 8
- The response activity 10
 - How to respond to questions..... 11
 - Navigating to and answering questions 11
 - Viewing Codification guidance 13
 - Printing a checklist..... 14
- Completing the checklist..... 15
- Frequently Asked Questions 16
 - New Features in the October 2011 Service Pack 2 Release 16
 - Efficient and Effective Use of the U.S. GAAP Checklist Tool 16
 - Superseded Forms 18
 - Using a Checklist — Scoping, Responding, Printing, and Closing 18
 - Engagement Team and Client Interaction..... 19
 - Viewing the Codification within the GAAP checklist tool 20

Overview

On July 1, 2009, the FASB Accounting Standards Codification (the “Codification”) became the single source for all authoritative U.S. accounting guidance. All nongovernmental entities that report under U.S. GAAP are required to follow the guidance in the Codification for reporting periods ending after September 15, 2009.

The Codification flattens the GAAP hierarchy into two categories: Authoritative (i.e., included in the Codification) and nonauthoritative (i.e., excluded from the Codification). The U.S. GAAP checklist tool includes all accounting and disclosure guidance from the Codification:

- *Codification Accounting Guidance Sections*: 25 — Recognition, 30 — Initial Measurement, 35 — Subsequent Measurement, and 40 — Derecognition.
- *Codification Disclosure Guidance Sections*: 45 — Other Presentation and 50 — Disclosure
- *Codification Scope Guidance*: Section 15 — Scope.
Section 15 describes the types of entities and transactions to which the Subtopic under consideration applies and is included to aid with the scoping activity only (i.e., there are no questions to answer in the response activity).

Note: Other sections in the Codification (00 — Status, 05 — Background, 20 — Glossary, 55 — Implementation and Illustrations, 60 — Relationships, and 65 — Transition) are not included. Users of the U.S. GAAP checklist tool can refer to these sections in Technical Library as necessary.

What’s new in the U.S. GAAP checklist tool Service Pack 2 (October 2011 release)

The following features are now available and apply not only to new checklists, but also completed and in-process (i.e., created before the release of service pack 2):

- Scoping to the question level — You can exclude from scope at the question level those transactions, events, and industry-related guidance that do not apply. Prior to service pack 2, scoping was only available down to the Codification Subsection level.
- Change scoping — Scoping can be changed at any time until the checklist is completed.
- Roll forward — When a new checklist is created, you have an option to roll forward the scoping or scoping and responses (and comments and references) from a completed checklist. The following rules apply:
 - The source (roll forward from) checklist must be completed/closed and not deleted
 - You cannot roll forward a client checklist to an engagement team checklist or vice-versa (i.e., only client-to-client / engagement team-to-engagement team rollforward is allowed)
 - The destination (new / roll forward to) checklist and source (roll forward from) checklist need to have a common Deloitte client ID. If you believe a completed checklist should be available but does not display, contact your engagement team.
- Delete — Unused checklists can now be deleted. Note that if a checklist is deleted, it cannot be rolled forward (i.e., be a source checklist) into a source checklist.
- Codification formatting in reports — The FASB Codification, when included as part of a PDF report, displays with improved formatting. Note that to comply with FASB licensing requirements you need to have at least one subscription to Deloitte’s Technical Library tool.

Note: Before using the checklist, public audit clients need to obtain audit committee preapproval in accordance with the audit committee’s established preapproval policies and procedures. All clients need to read the disclaimer on the access screen before using the checklist.

Checklist tool overview

Clients interact with the U.S. GAAP checklist tool for scoping and response. A high-level overview of the tool follows:

1. **Create** — Deloitte engagement teams create checklists for you, the client.
 - a. The engagement team, working with you the client, creates an accounting, disclosure, or both [accounting and disclosure] checklist.
 - b. The engagement team adds the email address of each client user.
 - c. Each client added to the checklist receives two emails from **GAAP Admin**; one includes a link to the checklist, the other a temporary login password.
 - d. To view the Codification in the checklist tool, be sure all checklist users are also Technical Library (TL) users and that the passwords in TL and the checklist are synchronized (see [FAQ 5.2](#) for details).
2. **Scope** — The client selects the checklist and begins the scoping activity. All Topics and Subtopics are included in scope by default. The client excludes Topics and Subtopics that do not apply to the entity.
3. **Response** — The client answers every question Yes, No, or N/A (not applicable) and may add other references as required or necessary:
 - a. **Yes** = The entity has complied with the guidance.
 - b. **No** = The entity has not complied with the guidance, or the transactions or amounts associated with the guidance are immaterial. A **No** answer requires an explanation of the noncompliance, which is entered into the **Comment** field; if immaterial, also include the amount.
 - c. **N/A** (not applicable) = The guidance is not applicable to the entity.
 - d. **Comment** — The client can enter comments for any question in the **Comment** field. Comments are required for **No** answers.
 - e. **Reference** — The client can enter a reference in the **Reference** field to support the **Yes | No | N/A** conclusion when applicable.
 - f. **Review Note** — The client can enter a review in the **Review Note** field; review notes need to be cleared and deleted before the checklist can be completed.

Note: The engagement team has read-only access to client checklists; only the client is able to scope guidance or complete responses.

4. **Completion** — A checklist is complete when all questions have been answered and any review notes have been cleared (resolved). When the checklist is completed:
 - a. A PDF of the completed checklist is created for the client and a notification [of the completion] is emailed to all client users who were added to the checklist, and to all members of the engagement team. The engagement team can view the PDF.

Note: A completed checklist cannot be edited. If changes to a completed checklist are needed, create a memo that includes the supplemental changes.

5. Other features

- a. Adding or removing users — Engagement team members can add or remove client users at any time.
- b. Response history — The tool tracks which user(s) answered each question and at what time.
- c. Printing — A checklist (completed or in process) can be printed at any time and can include optional information (e.g., comments, review notes).

Technical Library

Technical Library (<https://techlib.deloitte.com/>) provides additional information and resources, including:

- Accounting Standards Codification Manual — Includes the entire FASB Codification and additional Deloitte guidance.
- Find the GAAP — Enables users to reconcile prior-year checklists with the current Codified checklist(s).

Help and feedback

General support — Contact your engagement team.

Feedback and suggestions only — email gaapchecklist@deloitte.com.

Clients access the U.S. GAAP checklist at:

<https://checklists.deloitte.com>

Deloitte. US GAAP Checklists

Deloitte Client Access

Client Email:

Password:

[Forgot Password?](#)

Deloitte Engagement Team Access

Clients need to enter their email address and password and then click the [Deloitte Client Access](#) login button.

The scoping activity

In the My Checklists window, you can view the status of all of your checklists. To begin the scoping activity, click the [Scoping](#) link under Status:

Deloitte. US GAAP Checklists

My Checklists

Engagement	Description	Type	FY End	Status
2011 MAXXAM Tax Cosourcing	Oct 14 Checklist demo	Disclosure	12/31/2010	Scoping

The Checklist Scoping window opens:

Deloitte. US GAAP Checklists

Checklist Scoping | Engagement: PS-MAXXAM INC.-E&P/Stock Basis-CY09

Assets [Create Report](#) [Submit Scoping](#) [Return to Dashboard](#) [View Legend](#)

Assets

- 310 Receivables
 - 310-10 Overall
 - 310-10-15 Scope
 - 310-10-45 Other Presentation
 - General
 - Loans or Trade Receivables
 - Foreclosed or Repossessed Assets
 - Allowances
 - Bad-Debt Expense
 - Unearned Discounts
 - Receivables from Officers, Employees, Note Received as an Equity Contribution
 - Acquisition, Development, and Construction
 - 45-15
 - 310-10-50 Disclosure
 - 310-20 Nonrefundable Fees and Other Costs

A description of each button and area follows:

- **Navigation** — Select an area from the drop-down list and click **GO**.
- **Create Report** — Creates a PDF of the current scoping state of the checklist; see [Print Scoping](#) for details.
- **Submit Scoping** — Creates the active checklist.
- **Return to Dashboard** — Returns you to the My Checklists window.
- **Topic & Subtopic navigation (left pane)** — Allows you to view the selected Codification area’s Topics and Subtopics. The tree is expanded to the Codification Section level by default.
- **Include in / exclude from (right pane)** — Allows you to select whether a particular Topic, Subtopic, Section, Subsection, and/or question is included in the checklist.
- **Save** — Saves your scope changes. Note that saving at a higher level (e.g., a Subtopic) will override changes at a lower level (e.g., a Section or question); therefore, always make lower-level scoping choices only after making higher-level scoping choices.

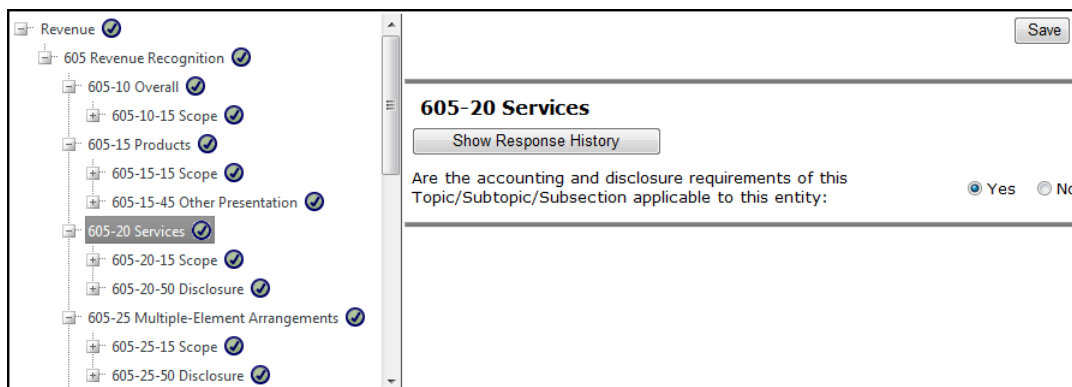
Scoping overview

By default, all Codification guidance is “in scope” until it is **explicitly excluded** from scope. Consider reviewing Codification Section 15, *Scope*, for each Subtopic, as well as any Deloitte-issued guidance in Technical Library, to assist in determining whether a Topic or Subtopic is in scope. The guidance in Section 15 is viewable during the scoping activity by highlighting the Subsection (e.g., General).

Note: Although the option to include or exclude Section 15, Scope, is enabled, it will not appear in the checklist since this Section does not include any accounting or disclosure guidance — no matter which option (include or exclude) is selected.

Excluding from scope

When you open the **Checklist Scoping** window, the default Codification area is Presentation. Using the Topic and Subtopic navigation tree, select the Topics and/or Subtopics to be excluded from scope — do this for each Codification area. The following example shows Subtopic 605-20, *Services*, in its default state of **Yes** [include in scope]:



The **Include in / exclude from scope** pane includes three functions:

1. **Yes | No** — By default, a Topic or Subtopic is in scope; to exclude, select **No**.
2. **Save** — You **need to click the Save button** to save changes; changes **are not saved** by clicking a **Topic & Subtopic navigation** node. **Do not** click **Submit Scoping** to save.
3. **Show Response History** — Select this check box to view a history of changes (modified by, time modified, and action taken).

Note: By default, all Topics and Subtopics are included in scope. If only one or two Topics / Subtopics in a Codification area (e.g., Industry) are in scope, *first exclude the entire area from scope*, then include in scope the [one or two] individual Topics / Subtopics that are children of (i.e., underneath) the area.

The following example shows Subtopic 605-20 (and, by extension, the Sections and Subsections within it) being excluded from scope:





Note: You should scope at the highest level first (e.g., area) then proceed “down” to lower levels (e.g., Topics, Subtopics) — higher-level scoping “overrides” lower-level scoping.

Example: Subtopic 605-20, shown on the previous page, is excluded from scope. If you now go to Topic 605 and click “save” you will **include** 605-20 since the higher-level Topic overrides the lower-level Subtopic.

Review scoping

There are two recommended ways to review scoping:

- Online — The reviewer logs into the checklist and reviews each Topic and Subtopic in each area.
 - The “include in scope”  icon displays next to guidance that will result in further questions included in the response activity of the checklist.
 - The “exclude from scope”  icon displays next to guidance that will be excluded from the checklist. Excluded Topics and Subtopics do not appear in the checklist.

The October 2011 release provides the ability to change scoping at any time until the checklist is closed.

- Print — You can generate and distribute a PDF to review scope. The October 2011 release of the tool displays scoping choices down to the question level.

Print scoping

During the scoping activity, users can create a PDF of the in-process scoping. Select the Codification areas to include in the report and click [Create Report](#).

A PDF of the scoping for a presentation checklist for Topic 360, *Property, Plant and Equipment*, is shown below (example shows Sections 45 and 50 only; note that Section 15, *Scope*, will never appear in a checklist) and displays some questions being excluded at the question level:

360 Property, Plant, and Equipment > 10 Overall > 15 Scope > General		
Q. Overall Guidance		No
Q. Entities		No
360 Property, Plant, and Equipment > 10 Overall > 15 Scope > Impairment or Disposal of Long-Lived Assets		
Q. Overall Guidance		No
Q. Transactions		No
360 Property, Plant, and Equipment > 10 Overall > 45 Other Presentation > General		
Q. Planned Major Maintenance Activities	Yes	
360 Property, Plant, and Equipment > 10 Overall > 45 Other Presentation > Impairment or Disposal of Long-Lived Assets		
Q. Presentation of Impairment Loss for Long-Lived Assets to Be Held and Used		No
Q. Presentation of Disposal Gains or Losses in Continuing Operations		No
Q. Changes to a Plan of Sale		No
Q. Initial Criteria for Classification as Held for Sale	Yes	
Q. Newly Acquired Asset Classified as Held for Sale	Yes	
Q. Change of Classification After Balance Sheet Date but Before Issuance of Financial Statements	Yes	
Q. Presentation of Long-Lived Assets or Disposal Group Classified as Held for Sale	Yes	
Q. Presentation of Long-Lived Assets to Be Disposed of Other than by Sale		No
360 Property, Plant, and Equipment > 10 Overall > 50 Disclosure > General		
Q. 50-1	Yes	
360 Property, Plant, and Equipment > 10 Overall > 50 Disclosure > Impairment or Disposal of Long-Lived Assets		
Q. Impairment of Long-Lived Assets Classified as Held and Used	Yes	
360 Property, Plant, and Equipment > 20 Real Estate Sales > 15 Scope > General		
Q. Entities		No
Q. Transactions		No

During scoping, multiple members of the client team can perform the scoping activity concurrently. Each client team member needs to be careful not to change another client team member's Yes or No answer. To view the history of changes for a Topic, Subtopic, or Subsection, select [Show Response History](#).

Reminder: Although Section 15, *Scope*, displays as being included in or excluded from scope, it *will not display* in the active checklist.





The response activity

The response activity follows the scoping activity. After the scoping activity is complete, the checklist link under **Status** changes to **Active**.

Click the **Active** link to open the checklist (the following example displays the Revenue area):



A description of each button and area follows:


- **Codification area navigation** — Allows you to navigate to each of the Codification areas. To move between areas, select an area from the drop-down list and click **Go**.
- **Create Report** — Creates a PDF of the current state of the checklist. Also allows you to create a PDF of scoping.
- **Finish Checklist** — See [Completing the checklist](#).
- **Return to Dashboard** — Returns you to the My Checklists window.
- **Topic & Subtopic navigation (left pane)** — Allows you to view the selected Codification area's Topics and Subtopics. The tree is expanded to the Codification Section level by default; click any Section to automatically expand to the question level.
- **Response pane (right pane)** — See [How to respond to questions](#).
- **View Legend (not shown)**
 -  Displays in the Topic & Subtopic navigation next to each question that has been answered.
 -  Displays in the Topic & Subtopic navigation next to each question that has a review note (also see printing questions).
 -  Displays in the Topic & Subtopic navigation next to each question that has a comment (also see printing questions).
 -  Displays in the Response pane next to any question that was rolled forward and has an unconfirmed answer. See [FAQ 3.11](#) for more information about unconfirmed answers.

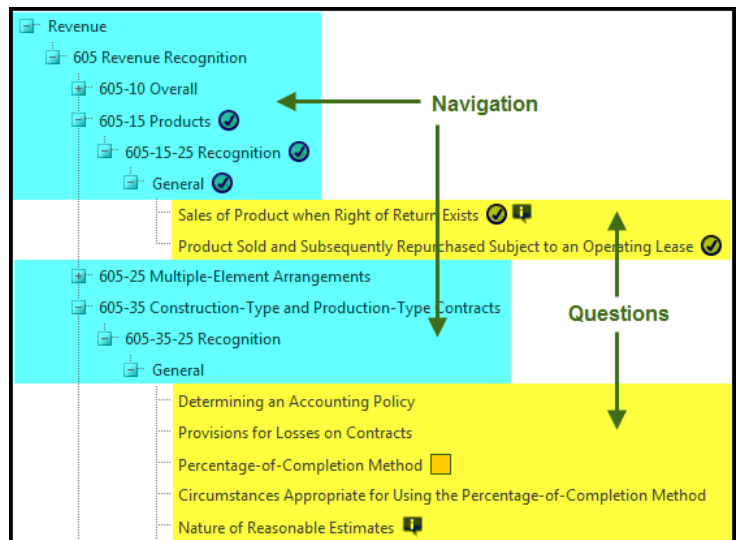
How to respond to questions

During the scoping activity, you exclude from scope transactions events and industry-related guidance that do not apply. This activity reduces the pool of questions that require answering during the response activity.

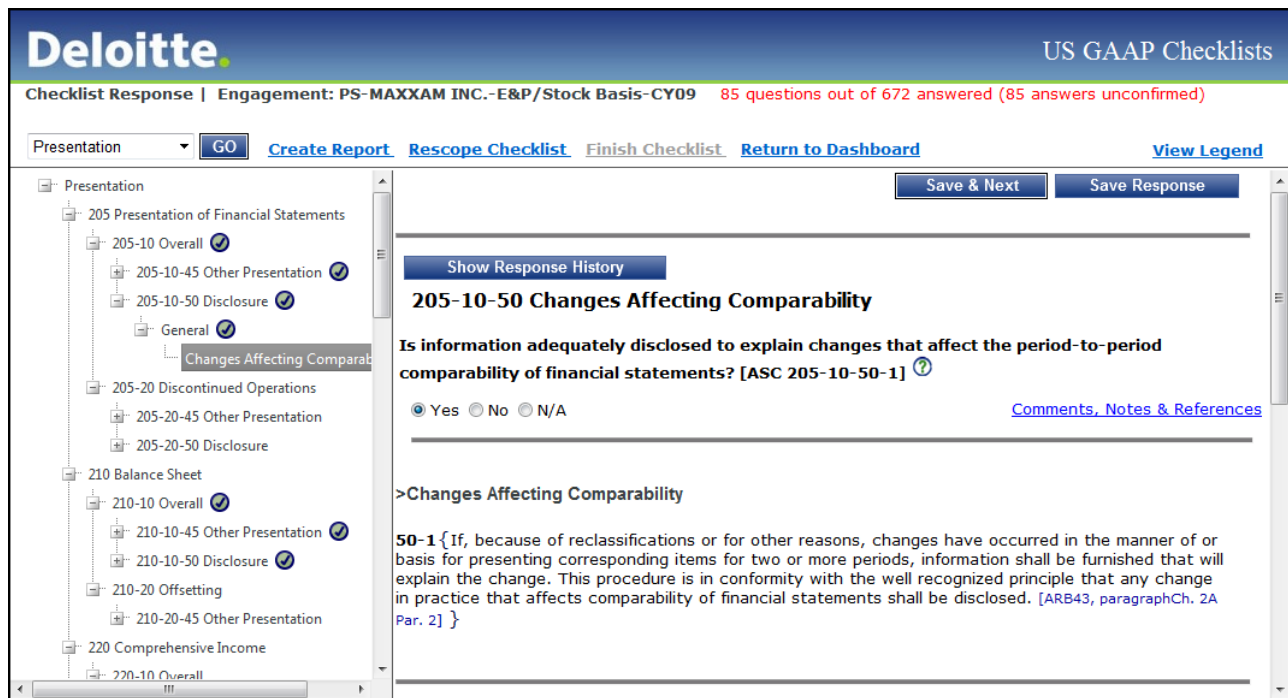
Navigating to and answering questions

Use the Topic & Subtopic navigation tree to get to the questions in each Topic > Subtopic > Section > Subsection. Questions occur below the Codification Subsection level; all levels at or above the Codification Subsection are navigational only (i.e., there are no questions at these [higher] levels).

Note: Questions are asked at the “lowest level” in the tree, which is always at the level below the  icon. The reason why some questions are at lower levels is due to the way the FASB Codification is structured: Some Subsections provide guidance (i.e., the detailed questions) at a higher level, while other Subsections provide it at a lower level.



When you select a question in the Topic & Subtopic navigation tree, you will see the Checklist Response window as follows:





Checklist Response window

- **Questions answered / unconfirmed** — Displays the number of questions answered out of the total number of questions included in scope. If a closed checklist was rolled into this checklist, you will also see the number of unconfirmed answers in brackets. See [FAQ 3.11](#) for more information about unconfirmed answers.
- **Navigation** — Displays a hierarchical view of the selected Codification area. Click any Codification Section (e.g., “Disclosure”) to expand directly to the questions that require answering.
- **Save & Next / Save Response** — Click **Save & Next** to save the current answer and automatically go to the next question. Click **Save Response** to stay on the current question.

Example: In the checklist response window above, 205-10-50 has only one question. Therefore, the next question will be the *first* question in the *next* Subsection [in the tree], which is 205-20-45; the tree will expand automatically and take you to the first question in Subsection 205-20-45.

- **Show Response History** — Click to show the history of responses to this question:

Hide Response History		
ModifiedBy	Modified	ActionTaken
dprather	9/24/2010 3:02:45 PM	Response provided as Yes
dprather	9/24/2010 3:03:28 PM	Response provided as N/A

- **Answer** — For each question answer:
 - **Yes** = The entity has complied with the guidance.
 - **No** = The entity has not complied with the guidance. A **No** answer requires an explanation of the noncompliance — in the **Comment** field, enter the reasons for the **No** answer; include qualitative and quantitative considerations if relevant.
 - **N/A** (not applicable) = The guidance is not applicable to the entity.
- **Link to Comments, Notes & References** — A jump link to the Comment, Review Note, and Reference text boxes. An additional link is provided at the bottom of each page to jump back to the top.
 - **Comment** — Enter comments for any question in the Comment field. Comments are required for No answers. Questions with comments appear in the navigation tree with the  icon. To delete a comment, select the text and click the delete button on your keyboard. Comments are retained after the checklist is closed.
 - **Review Note** — Questions with review notes appear in the navigation tree with the  icon. Review notes need to be cleared before the checklist can be completed. To delete a review note, select the text and click the delete button on your keyboard. Review notes are **not** retained after the checklist is closed.
 - **Reference** — A text box to capture a work paper or other reference. References are retained after the checklist is closed.
- **Guidance** — The authoritative Codification guidance as issued by the Financial Accounting Standards Board (FASB). See [Viewing Codification guidance](#).
- **Deloitte Consideration Points** — Provides you with information to consider when answering certain questions throughout the checklist; they are not substitutes for or interpretations of the Codification guidance. Note that if a question does not have any corresponding consideration points, then the Consideration Points field does not display.

Note: Multiple client personnel can respond to questions concurrently. Each person needs to be careful not to change another person's Yes | No | N/A answer, or overwrite any Review Notes, References, or Comments. To view the history of changes for a question, select Show Response History.

Viewing Codification guidance

Note: Due to external licensing requirements, a client **MUST** have at least one Deloitte Technical Library (TL) subscription ([FAQ 5.1](#)) in order to view the Codification content within the checklist. If the client has at least one TL subscription, then any number of client users will be able to view the guidance inline.

See [FAQ 5.2](#) for information on how to *enable client access to [view] the Codification* within the checklist tool.

The Codification content includes the following (where applicable):

- **Legacy source information** — Following each paragraph or sentence is the source of the content (e.g., FAS 48, paragraph 6). Use the Find the GAAP tool on Deloitte Technical Library to cross-reference Codification content with its legacy source, if necessary.
- **Pending content** — The FASB includes pending content in the Codification in addition to current content. Pending content is enclosed in a “Pending Content” box and includes a transition guidance link:

>> Indemnification Assets

35-4

Pending Content:

Transition Date: *December 31, 2008* | **Transition Guidance** **805-10-65-1**

805-10-65-1 {At each subsequent reporting date, the acquirer shall measure an indemnification asset that was recognized in accordance with paragraphs **805-20-25-27 through 25-28** at the **acquisition date** on the same basis as the indemnified liability or asset, subject to any contractual limitations on its amount and, for an indemnification asset that is not subsequently measured at its fair value, management’s assessment of the collectibility of the indemnification asset. [FAS 141(R), paragraph 64] }

Note: For pending content, the transition guidance needs to be considered carefully to determine if the pending content applies.

- **Links** — The Codification includes many links (including Transition Guidance links, as described above); click a link to see the guidance in a popup window. The checklist tool has the following limitations regarding links and content:
 - ⦿ Codification links to Topics, Subtopics, and Sections do not show content because Codification content only appears at or below the Subsection level.
 - ⦿ Codification links to “spanned” paragraphs (e.g., 805-20-25-27 through 25-28) only display the first paragraph — use Deloitte Technical Library to see all Codification content.

Printing a checklist

You can create a PDF and distribute the in-process checklist* or scoping at any time during the response activity. There are several options available, each of which is explained below.

- **Export Responses** — [Default choice] Select to print questions and associated answers, notes, comments, etc.
- **Export Scoping** — Select to print the scoping selections for the active checklist.

Note: Checklists created in an earlier version of the checklist tool (Nov 2009 to Sep 2010) will only show what was included in scope (“yes” answers).

- **Areas to include** — Select the Codification areas to include.
- **Answer** — Include the Yes | No | N/A conclusion.
- **Review Notes** — Include review notes.
- **Comments** — Include comments.
- **WP Reference** — Include work paper or other references.
- **Consideration Points** — Include Deloitte-authored consideration points.
- **FASB Codification** — Include the FASB Codification in the PDF. Including the Codification can increase the size of the report considerably. See [FAQ 3.3](#) for more information about including Codification guidance in a report.
- **Unconfirmed Responses Only** — Create a report that only includes questions with unconfirmed answers.


Export Responses	
<input checked="" type="radio"/>	Export Responses
<input type="radio"/>	Export Scoping
Select the areas to include in the PDF.	
<input checked="" type="checkbox"/>	Presentation
<input checked="" type="checkbox"/>	Assets
<input checked="" type="checkbox"/>	Liabilities
<input checked="" type="checkbox"/>	Equity
<input checked="" type="checkbox"/>	Revenue
<input checked="" type="checkbox"/>	Expenses
<input checked="" type="checkbox"/>	Broad Transactions
<input checked="" type="checkbox"/>	Industry
Select the items to include in the PDF.	
<input checked="" type="checkbox"/>	Answer
<input checked="" type="checkbox"/>	Review Notes
<input checked="" type="checkbox"/>	Comments
<input checked="" type="checkbox"/>	Reference
<input checked="" type="checkbox"/>	Consideration Points
<input type="checkbox"/>	FASB Codification
<input type="checkbox"/>	Unconfirmed Responses Only

* You can also print your in-process checklist or scoping; the available print options are the same.

320 Investments > 10 Overall > 50 Disclosure > General	
Has the entity determined major security types based on the nature and risks of the security? [ASC 320-10-50-1B]	Yes
50-1B Major security types shall be based on the nature and risks of the security. In determining whether disclosure for a particular security type is necessary and whether it is necessary to further separate a particular security type into greater detail, an entity shall consider all of the following: a. (Shared) activity or business sector b. Vintage c. Geographic concentration d. Credit quality e. Economic characteristic.	
Deloitte Consideration Points: An entity shall provide disclosures for securities held at the end of the periods presented in the financial statements [ASC 320-10-50-1]. The disclosures in this Section are required for all interim and annual periods [ASC 320-10-50-1A].	
Has the entity provided the appropriate disclosures for its securities classified as available for sale? [ASC 320-10-50-2 through 50-4]	N/A
>Securities Classified as Available for Sale	
50-2 For securities classified as available for sale, all reporting entities shall disclose all of the following by major security type as of each date for which a statement of financial position is presented: a. Amortized cost basis	

Completing the checklist

After all questions are answered in all Codification areas, the [Finish Checklist](#) button is enabled. There are a few things to consider before completing the checklist:

- Clear all review notes — Any open review notes are deleted when the checklist is completed. Questions with review notes are identified in the navigation tree and on the PDF report with the  icon. To view open review notes, create a PDF of the checklist and include review notes (see [Printing a checklist](#)).
- Obtain proper authorization — The completed checklist cannot be changed; the individual who clicks [Finish Checklist](#) needs to be authorized to do so.

After the [Finish Checklist](#) button is clicked, the following occurs:

- Status — The checklist status changes to [closed](#) on the My Checklists window; the checklist becomes “read-only” and no edits can be made to the checklist.
- Email — Each member of the engagement team will receive an email with a link to the read-only checklist.

Frequently Asked Questions

New Features in the October 2011 Service Pack 2 Release

Change scoping	Change a response to scoping questions at any point in the process before finalizing the checklist
Scope to the question level	Include or exclude individual questions from the checklist
Roll-forward	Roll forward answers to scoping questions from a closed checklist into a new checklist
Delete	Delete unused checklists
Codification formatting	Include the FASB Codification in PDF with improved formatting

Efficient and Effective Use of the U.S. GAAP Checklist Tool

1.1 Q *What type of checklist should I ask the engagement team to create?*

- A There are three options: An accounting checklist, a disclosure checklist, or a combined accounting and disclosure checklist.
- **Accounting** — To consider the compliance with recognition, initial and subsequent measurement, and derecognition guidance; typically completed throughout the period under audit.
 - **Disclosure** — To consider compliance with presentation and disclosure guidance; typically completed when with the entity's draft financial statements for the period under audit are available.
 - **Both** — To consider all guidance at the same time (i.e., in one checklist).
-

1.2 Q *What should be included in scope?*

- A There are two factors to consider:
1. What are the material classes of transactions, account balances, and disclosures?
 2. What is the scope of the Codification guidance? In other words, does the guidance apply to you (e.g., Industry Topics), and does the guidance apply to your transactions and events?

Be sure to review Section 15, *Scope*, to help evaluate the applicability of Codification Guidance.

1.3 Q *How do I roll forward last year's (or last quarter's) completed checklist?*

A The October 2011 release of the GAAP checklist tool supports automated rollforward. To rollforward:

1. Have your engagement team create a new checklist or access an existing open checklist. This will be the “destination” checklist.
2. In the Checklist Properties window, click the Submit & Roll Forward button. All valid “source” checklists display. Note the following:
 - a. The source (roll forward from) checklist must be complete/closed and not deleted.
 - b. You cannot roll forward a client checklist to an engagement team checklist or vice-versa (i.e., only client-to-client / engagement team-to-engagement team rollforward is allowed).
 - c. The destination (new / roll forward to) checklist and source (roll forward from) checklist need to have a common client ID — check with your engagement team if you do not see a closed checklist that you believe should be available.
3. You can change scoping in the destination checklist after the source checklist is rolled forward [into it].

1.4 Q *What does (or does not) roll forward from the source checklist into the destination checklist?*

A You choose to roll forward either scoping or both scoping and responses (associated comments and references are also rolled forward).

Updates from FASB Codification are incorporated into the checklist tool on a quarterly basis. These updates add, remove, or supersede existing guidance (i.e., questions) at the Subsection level, which is above the individual question level.

Only questions that match between the two checklists will roll forward. In other words, all questions within a single Subsection that was either removed or superseded (added Subsections will never match since they are new) will NOT match and, therefore will not roll forward.

Questions that do roll forward do so as unconfirmed answers, which require confirmation (via Save & Next or Save Response) in order to complete/finish the checklist.

1.5 Q *I created a checklist and started answering questions, but content updates to the U.S. GAAP checklist tool have been issued. How do I proceed?*

A **EXAMPLE — calendar year-end scenario:** Since a checklist is as of a point in time, if you create a checklist before year-end (i.e., Oct 1 through Dec 31), that checklist will include Codification and Deloitte guidance updated through calendar Q3 (Jul 1 through Sept 30). If you subsequently complete the checklist in January/February, you need to consider any new guidance issued between Oct 1 and Dec 31:

Review the quarterly updates issued by Deloitte and determine if there is any additional guidance that needs to be considered:

- If no, then you can use the checklist created in Q3.
- If yes, then you need to create a supplemental checklist that includes only the incremental guidance.

Note that there may be circumstances when an interim update (i.e., between quarters) is issued (e.g., the FASB issues Codification updates that are effective for the period under audit or that require retrospective application).

Superseded Forms

2.1 Q *Do you have the old “Word” version of the checklist?*

A No. The Word version of the checklist, which considered [now superseded] Level A GAAP only, has been replaced by the comprehensive (i.e., all authoritative GAAP issued by the FASB) online checklist tool.

To create an “offline” version, perform the scoping activity and then create report that includes all options, including the FASB Codification.

Note: If you create a PDF for response, you will not be able to roll forward the completed [offline PDF] checklist answers into a future period checklist.

Using a Checklist — Scoping, Responding, Printing, and Closing

3.1 Q *I clicked Submit Scoping and I forgot to include/exclude guidance. Can I add the Topic / Subtopic / question to an existing checklist?*

A Yes. You can change scoping at any time until the checklist is completed.

3.2 Q *Can I scope out individual questions?*

A Yes. Beginning with the October 2011 release of the GAAP checklist, you can scope at any level.

3.3 Q *How do I include the Codification guidance in the PDF?*

A Click “Create Report” in an active checklist. Under “Select the items to include in the PDF,” select “FASB Codification.” Note the following:

- The Codification is lengthy — including it in an “average” checklist may make the resulting PDF 1,500 or more pages and may take several minutes to “render.” When the PDF is ready, you will receive an email with a link to download the PDF. Rather than emailing the PDF (which can be 20 or 30 MB), forward the email to other team members, who can also download the PDF.
 - The link to the PDF expires 24 hours after the report is created.
 - See [FAQ 5.1](#) for details regarding Technical Library requirement for clients.
-

3.4 Q *Can a user print responses before clicking the Finish button?*

A Yes. However, once the Finish button is clicked, the user cannot change the responses.

3.5 Q *If a checklist is closed can it be re-opened?*

A It cannot be opened once it is closed. In order for the checklist to be closed, all of the questions need to be answered. You can, however, create a new [destination] checklist and then roll forward the scoping, answers, comments, and references from the closed [source] checklist.

3.6 Q *Can a client delete a checklist?*

A Yes. However, you need to consider if you want to roll forward a [completed] checklist in a future period (e.g., quarter and/or annual) — if yes, do not delete the checklist.

-
- 3.7 Q *Can I undelete a checklist?*
- A Yes, but only for a limited time. You need to notify an engagement team member that you want to restore the deleted checklist within five days of the deletion; otherwise, the checklist will be permanently deleted.
-
- 3.8 Q *Does Codification Section 15, Scope, display in the response section?*
- A No. Section 15, *Scope*, is included as a reference to aid with the scoping activity; there are no questions to answer in Section 15, so it is not displayed after scoping is submitted.
-
- 3.9 Q *Is my checklist automatically updated when new Codification or Deloitte-authored guidance is issued or added?*
- A No. Checklists are created at a point in time. See also [FAQ 1.5](#).
-
- 3.10 Q *What happens when I view or create a report for a checklist created (active or closed) under the old version of the tool?*
- A All of the “new features” listed at the beginning of this FAQ document, including navigation and reports, are available to checklists created under the old version of the tool.
-
- 3.11 Q *How do I identify/isolate unconfirmed answers that were rolled forward from a prior-period checklist?*
- A Unconfirmed answers that were rolled forward are identified with a green question mark. This unconfirmed answer icon appears next to each question in response pane.
- To identify unconfirmed answers, create a PDF, then under “Select the items to include in the PDF” select “Unconfirmed Responses Only.”
-

Engagement Team and Client Interaction

- 4.1. Q *Can Deloitte access my [client] checklist and make changes?*
- A No. Your engagement team has a read-only view of your [client] checklist.
-
- 4.2 Q *Do the answers in my [client] checklist automatically update the answers in the Deloitte checklist and vice versa?*
- A No. There is no interaction between the client checklist and the Deloitte checklist.
-
- 4.3 Q *Can the engagement team enter a “reference,” review note, or comment in my [client] checklist?*
- A No. There is no interaction between the client checklist and the Deloitte checklist.
-

Viewing the Codification within the GAAP checklist tool

5.1 Q *Can I view the Codification in the GAAP checklist tool if I DO NOT have a subscription to Deloitte Technical Library?*

A Due to FASB licensing restrictions, if you do not have Technical Library subscription, you are prohibited from viewing the Codification within the U.S. GAAP checklist tool or including the Codification within a PDF [report]. The alternative is to obtain access to the Codification from the FASB’s website. The FASB offers a basic free version of the Codification that lacks many of the advanced features of its “professional” version.

5.2 Q *I have a Technical Library subscription, but I (or others working on the checklist) do not see the Codification guidance in the U.S. GAAP checklist tool. I should be able to see the guidance embedded in the page below the question. What needs to be done?*

A

1. Make sure that you [the client] are [is] logged out of Technical Library.
2. After logging into the GAAP checklist, the list of checklists is displayed.
3. At the bottom of the page, there are two links — “Change Password” and “Update Deloitte Technical Library Login Credentials.”
4. Click on the “Update Deloitte Technical Library Login Credentials” link.
5. Enter your Technical Library user ID and password, and click “Save.”
6. Once this is done, the codification is displayed in the checklist.

5.3 Q *My client has one Technical Library subscription but multiple checklist users — can all of the checklist users view the Codification Guidance in the tool?*

A Yes. First, each user must be added as a Technical Library user. Next, follow the steps provided in the answer to [FAQ 5.2](#).

5.4 Q *If I finalize the scoping and then later decide that I do want to subscribe to Technical Library, will I be able to see the Codification guidance within the checklist?*

A Yes. Even if scoping has been completed, you will be able to see the Codification within the tool once you subscribe to Technical Library.

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms. Please see www.deloitte.com/us/about for a detailed description of the legal structure of Deloitte LLP and its subsidiaries. Certain services may not be available to attest clients under the rules and regulations of public accounting.

Copyright © 2011 Deloitte Development LLC. All rights reserved.
Member of Deloitte Touche Tohmatsu Limited