



United States Government Accountability Office
Washington, DC 20548

ADVISORY
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DECEMBER 2011 REVISION OF *GOVERNMENT AUDITING STANDARDS*
ISSUED

Gene L. Dodaro, Comptroller General of the United States and the head of the U.S. Government Accountability Office, has issued the 2011 revision of *Government Auditing Standards*. The standards, which were first published in 1972, and are commonly referred to as the “Yellow Book,” cover federal entities and those organizations receiving federal funds. Various laws require compliance with the comptroller general’s auditing standards in connection with audits of federal entities and funds. Furthermore, many states and local governments and other entities, both domestically and internationally, have voluntarily adopted these standards.

The professional standards presented in this 2011 revision of *Government Auditing Standards* provide a framework for performing high-quality audit work with competence, integrity, objectivity, and independence to provide accountability and to help improve government operations and services. These standards provide the foundation for government auditors to lead by example in the areas of independence, transparency, accountability, and quality through the audit process.

The 2011 revision of *Government Auditing Standards* represents a modernized version of the standards, taking into account recent changes in other auditing standards, including international standards. This revision supersedes the 2007 revision. It contains the following major changes from the 2007 revision that reinforce the principles of transparency and accountability and provide the framework for high-quality government audits that add value.

- A conceptual framework for independence was added to provide a means for auditors to assess their independence for activities that are not expressly prohibited in the standards. This more principles-based approach to analyzing independence provides the framework for auditors to assess the unique facts and circumstances that arise during their work.
- This revision drops discussion surrounding certain AICPA Statements on Auditing Standards (SAS) and Statements on Standards for Attestation Engagements (SSAE) requirements that were incorporated by reference and included in the 2007 revision, as the standards have converged in those areas.
- The definition of validity as an aspect of the quality of evidence has been clarified for performance audits.

Effective with the implementation dates for the 2011 revision of *Government Auditing Standards*, GAO is also retiring *Government Auditing Standards: Answers to Independence Standard Questions* (GAO-02-870G, July 2002).

This revision of the standards has gone through an extensive deliberative process, including public comments and input from the Comptroller General's Advisory Council on Government Auditing Standards. The Advisory Council generally consists of about 25 experts in financial and performance auditing and reporting drawn from federal, state, and local government; the private sector; and academia. The views of all parties were thoroughly considered in finalizing the standards.

The 2011 revision of *Government Auditing Standards* will be effective for financial audits and attestation engagements for periods ending on or after December 15, 2012, and for performance audits beginning on or after December 15, 2011. Early implementation is not permitted.

An electronic version of this document and any interpretive publications can be accessed at <http://www.gao.gov/yellowbook>.

GAO is also posting a Summary of Major Changes, which highlights significant changes from the 2007 revision, and a listing of technical changes made since the 2007 revision.

For inquiries regarding the 2011 revision, please contact GAO staff via email at yellowbook@gao.gov or by calling (202) 512-9535.