

AICPA Audit Data API – Request for Review

Background

When auditors request client data to analyze as part of their audits, this data (audit data) is typically transferred to the auditor as discrete data files in a custom format. The scope of audit data covers information that is recorded in financial systems of the company, such as the following:

1. General ledger including trial balance
2. Sales ledger
3. Purchase ledger
4. Payroll
5. Inventory
6. PP&E registry
7. Receivables and payables ledgers

Various audit data standards have been developed by the American Institute of Certified Public Accountants (AICPA) and the International Organization for Standardization (ISO). Each of these initiatives define file formats for how the financial data should be expressed, but do not define the details of how transmission of this data will occur (i.e., how computers request this information, and the minimum standards needed for data transmission between two systems).

As a result, the AICPA convened a working group of subject matter experts, the AICPA Audit Data API working group, to define an audit data transfer standard (the standard) in an Open API format. The mission of the working group is to develop and publish open APIs that build upon the standards already developed by the AICPA and ISO, and to use the terms defined in those standards where applicable. The scope of the APIs covers general ledger transaction details, trial balance values at a point in time, and the following account subledgers: accounts payable, accounts receivable and inventory.

Request for Review of the initial API Standard

The standard is based on the [General Ledger](#), [Order to Cash](#), [Procure to Pay](#), and [Inventory](#) audit data standards already developed by the AICPA, uses the terms defined in those standards where applicable, and includes content added to support an API interface. This document includes links and directions for accessing the standard, an overview of the standard, and specific questions where feedback is needed.

The working group welcomes feedback from all interested parties on the following sections of its proposed audit data transfer standard: users, entities, accounts receivable, accounts payable and inventory (please note that the general ledger and trial balance have been reviewed and exposed previously and we are no longer accepting edits at this time).

The standard can be accessed and viewed in a redoc viewer located here: <https://aicpa-ads.github.io/AuditData-API/redoc.html> as well as through the [AICPA Audit Data API GitHub page](#). The viewer includes fields, field definitions and parameters for each of the following areas: accounts receivable, accounts payable, and inventory.

The comment period ends on **Friday, December 30, 2022**. All comments can be sent directly to Dorothy McQuilken, Senior Manager, SOC and Related Services, at Dorothy.McQuilken@aicpa-cima.com.

A webcast will be offered to all parties interested in learning more about the AICPA's Audit Data API and data standardization. A link to the webcast will be provided on the exposure draft webpage in the upcoming weeks.

Overview - Audit Data Transfer Standard

The standard is based on the [General Ledger](#), [Order to Cash](#), [Procure to Pay](#), and [Inventory](#) audit data standards already developed by the AICPA with additional content added to support an API interface.

Intent of the Standard

The intent of the standard is to facilitate the transfer of financial data between users across different systems. The primary purpose is to enable the extraction of detailed financial data for the performance of financial audits. This is not the sole intent of the standard, and the specification is written in a manner to support the general transfer of financial data between systems for any range of purposes.

API File Requests (end point)

The standard supports the following API file requests (end point):

End Point	Description	Module/Area
Entities	The entities end point allows the user to request all available reporting entities available to the user on the system.	Used across modules
Users	The users end point allows the user to request all available user details from the API based on a Userid.	Used across modules
Journal entries	The journal entries end point allows a user to request journal entries for a specific entity for a specific time range.	General Ledger

Trial balance	The trial balance end point allows a user to request journal entries for a specific period end. The end date must be provided.	General Ledger
Accounts	The accounts entry point allows a user to request the chart of accounts for a given entity. The user can pass the entity identifier as a parameter to retrieve the chart of accounts for that entity.	General Ledger
Open Balances	The open balances end point represents the balance expected from the customer for one uniquely identifiable transaction. This file should be at the summary level (by invoice), not at the detailed level (by invoice line item). The sum total of the transaction amounts as of the specified date should reconcile to the total AR amount in the general ledger (GL) as of the same date.	Accounts Receivable
Customers	The accounts entry point allows the retrieval of the customer listing for the entity. Customer information can be requested based on a customer ID.	Accounts Receivable
Invoices	The invoices end point has one record for each sales order associated with each invoice. For example, if an invoice includes items from three sales orders, there will be three records for that one invoice. The invoice will include the associated three sales orders.	Accounts Receivable
Cash Received	The payments received end point contains all payment transactions (check, wire transfer, cash, and so on) received during the period. Each record represents a single receipt.	Accounts Receivable
Open Balances	The open balances end point represents the balance due to the supplier for one uniquely identifiable transaction. This file should be at the summary level (by invoice), not at the detailed level (by invoice line item). The sum total of the transaction amounts as of the specified date should reconcile to the total AP amount in the general ledger (GL) as of the same date.	Accounts Payable
Suppliers	The suppliers end point allows the retrieval of the supplier listing for the entity. Supplier information can be requested based on a supplier ID.	Accounts Payable
Invoices	The invoices end point has one record for each purchase order associated with each invoice. For example, if an invoice includes items from three purchase orders, there	Accounts Payable

	will be three records for that one invoice. The invoice will include the associated three purchase orders.	
Payments Made	The payments made end point contains all payment transactions (check, wire transfer, cash, and so on) made during the period. Each record represents a single cash payment.	Accounts Payable
Inventory On Hand	The inventory on-hand end point captures the on-hand inventory quantities of items by location and amounts as of the specified date.	Inventory
Inventory Transactions	The inventory transactions end point captures all transaction history (for example, receipts, shipments, transfers, returns, adjustments) affecting inventory accounts during the time period specified.	Inventory

Structure of Returned Data

The data returned is generally flat. The structure of the returned data deliberately avoids nested structures. This is to allow maximum flexibility to support transfer from as many systems as possible. This means some data is repeated in every set of data returned such as the entity name. The journal entry data is the one exception however where the lines to the journal entry are nested as a child of the journal entry. This was not flattened as the majority of systems will have a one-to-many relationship defined for a specific journal and the line items of the journal.

Not all data has to be returned in the return fields as in many systems the data defined in the standard will not be available. The API however does define for each end point some minimal data fields that do have to be returned. For example, a journal entry end point must return the following:

- Journal_ID
- Effective_Date
- GL_Account_Number
- Amount
- Amount_Currency
- Amount_Credit_Debit_Indicator

Questions for Reviewers to Consider

The AICPA's Audit Data API working group is seeking feedback on the audit data transfer standard. As you review the standard, please consider the following questions:

Vendors

1. Is the draft standard clearly articulated in sufficient detail to support adoption?
2. Does your system have all of the data points noted in the API?
3. Does your system have the ability to export the data points in the format specified?
4. Is your system able to export the data to a customer-specified repository (e.g., data store behind the company's firewall or in the cloud) on a routine (e.g., nightly) basis with only minimal human intervention? If not, are there any significant barriers to making such system enhancements?
5. If adopting this specification, what would be your timing for implementation?
6. Please articulate any additional suggested edits to the Audit Data Transfer Standard.

Auditors

1. Is the proposed standard sufficiently comprehensive (i.e., it captures all essential audit data such that additional requests would not be needed)?
2. Are there any fields that may be missing that would contribute to the audit data needed to perform certain audit procedures (e.g., inventory beginning and ending values)?
3. Is there industry specific data that should be included?
4. What accounting procedures would you want to perform that the current standard doesn't allow for?
5. Are the current fields clearly and accurately defined?
6. Should the standard include additional subledger accounts?
7. Please articulate any additional suggested edits to the Audit Data Transfer Standard.