



National Association of State Boards of Accountancy

150 Fourth Avenue North ♦ Suite 700 ♦ Nashville, TN 37219-2417 ♦ Tel 615/880-4200 ♦ Fax 615/880/4290 ♦ Web www.nasba.org

February 28, 2014

International Ethics Standards Board for Accountants  
International Federation of Accountants  
529 Fifth Avenue, 6<sup>th</sup> Floor  
New York, New York 10017

Attention: Ken Siong, IESBA Technical Director

Re: International Ethics Standards Board for Accountants: Proposed Strategy and Work Plan, 2014-2018

Dear Members and Staff of the International Ethics Standards Board for Accountants:

We appreciate the opportunity to offer comments on the Exposure Draft referred to above. The National Association of State Boards of Accountancy's (NASBA) mission is to enhance the effectiveness and advance the common interests of the Boards of Accountancy that regulate all certified public accountants and their firms in the United States and its territories. In furtherance of that objective, we offer the following comments on the Exposure Draft.

In general, we are supportive of the Proposed Strategy and Work Plan for 2014-2018. The four work themes are well thought out and serve the public interest. However, we have one significant comment that we would like the International Ethics Standards Board for Accountants to consider.

**Structure of the Code**

While we recognize that support has been expressed to look at the structure of the code by respondents to the IESBA strategy survey, as well as comments received the IESBA CAG, we believe that significant changes to the IESBA code at this time would cause problems in the United States. The logic behind restructuring the IESBA Code, the direction that a restructured code might take, and the benefits of a restructured code are not clearly disclosed in the Proposed Strategy and Work Plan.

The AICPA has just completed a major project to converge its Code of Professional Conduct with the IESBA Code. Now that this project is complete NASBA is working with State Boards of Accountancy to converge codes of professional conduct that are written into various state rules and statutes, with the newly adopted AICPA code, and in turn, the IESBA Code. We are concerned that a major effort to restructure the code at this time would cause confusion and set back the convergence efforts currently in process in the United States.

We would like to commend members and staff of the International Ethics Standards Board for Accountants for the very public process by which the agenda of the board is set. The public is well served by this open process.

Again, we appreciate the opportunity to comment on the Proposed Strategy and Work Plan for 2014-2018.

Sincerely,

Carlos Johnson, CPA  
NASBA Chair

Ken L. Bishop  
NASBA President and CEO