



National Association of State Boards of Accountancy

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September 21, 2016

Office of Regulations and Interpretations  
Employee Benefits Security Administration  
Attn: RIN 1210-AB63; Annual Reporting and Disclosure  
Room N-5655  
U.S. Department of Labor  
200 Constitution Avenue NW  
Washington, DC 20210

Via Email: e-ORI@dol.gov

Re: RIN 1210-AB63

Dear Members of the Office of Regulations and Interpretations:

Beginning in 2014, the National Association of State Boards of Accountancy (NASBA) began working directly with the EBSA office to facilitate referrals of deficient audit work to State Boards of Accountancy. Because the Boards are the CPA/firm licensing agency in each jurisdiction, they are the only entity with disciplinary authority against the license itself.

If audit work is deficient, the Boards have the ability to require remedial action including the review of future work, as well as disciplinary authority including civil penalties, probation, suspension, and revocation of the CPA/firm license if warranted. As such, it is to the benefit of the public that the Boards have as much information available as possible to enable them to investigate any alleged deficiencies in the performance of audits of employee benefit plans or the performance of such audits without proper licensure, including peer review.

The additional identifying information requested in this comment letter would greatly assist the Boards in identifying CPAs/firms licensed by their Board and performing deficient audit work. It would also help identify audits being performed in their state without proper licensure or without benefit of a required peer review.

Within the existing Form 5500 and accompanying schedules, IQPA (independent qualified public accountant) identifying information is only found on Schedule H. Part III question 3c of Schedule H currently only requires the name and EIN of the IQPA (or firm). The current *Proposal to Modernize and Improve the Form 5500* proposes to change Schedule H to require: auditor name, auditor EIN, name of audit engagement partner, and identity of the state in which the opinion was issued, among other changes. (*See Proposed Rules, p 47581-47583, Schedule H, Section 3; specifically Questions 3c-3d.*)

Our first recommendation is to expand the collected data to also include: (1) business address of the auditor, (2) CPA license number and state of licensure for the audit engagement partner (or

sole practitioner), in both the principal place of business and state of issuance (to clarify services provided through mobility), (3) name and address of the audit CPA firm and (4) firm license number and state of licensure, in both the principal place of business and state of issuance (to identify services provided using interstate CPA mobility laws). The content of this information, rather than the exact text recommended below, is the priority of this comment.

The current proposal of Part III question 3c of Schedule H is copied below:

3c [Current] Enter the name and EIN of the IQPA (or accounting firm) below:

- (1) Name
- (2) EIN
- (3) Name of audit engagement partner

3d [New] Identify the state in which the opinion was issued

Our amendments would modify the text of 3c as underlined below:

3c [Current] Enter the identifying information for the IQPA (or accounting firm) below:

- (1) Name of the audit engagement partner
- (2) EIN (sole practitioner/firm)
- (3) Audit engagement partner's CPA license number and state of licensure in principal place of business
- (4) Audit engagement partner's CPA license number in state of issuance of report, if applicable
- (5) Name of firm and address of CPA firm office in which the audit engagement partner primarily practices
- (6) Firm license number and state of licensure of the office in which the audit engagement partner primarily practices
- (7) Firm license number in state of issuance of report, if applicable

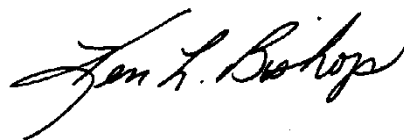
3d [New] Identify the state in which the opinion was issued

Additionally, we recommend that the EFAST system be searchable by auditor name or auditor EIN. The DOL currently has this information in the existing forms, but it is not eligible as search criteria in the EFAST system. This capability would be helpful in those situations where a Board of Accountancy has information or reason to believe that a firm may be doing audits for clients in its state without proper licensure. Being able to search by auditor identifying information would allow the Board to identify any additional clients served by that auditor, regardless of the location of the clients. This capability would also assist Boards in efforts to identify and monitor firms that claim that they are not performing any audit work.

Very truly yours,



Donald H. Burkett, CPA  
NASBA Chair



Ken L. Bishop  
NASBA President and CEO