



National Association of State Boards of Accountancy

---

◆ 150 Fourth Avenue, North ◆ Suite 700 ◆ Nashville, TN 37219-2417 ◆ Tel 615.880-4201 ◆ Fax 615.880.4291 ◆ [www.nasba.org](http://www.nasba.org) ◆

July 6, 2018

Assurance Services Executive Committee  
American Institute of Certified Public Accountants  
1211 Avenue of the Americas  
New York, New York 10036-8775

Attention: Di Krupica, Lead Manager, Product Management and Development

Via email: [di.krupica@aicpa-cima.com](mailto:di.krupica@aicpa-cima.com)

**Re: Criteria for Evaluating the Integrity of a Set of Data**

Dear Members and Staff of the Assurance Services Executive Committee (ASEC):

The National Association of State Boards of Accountancy (NASBA) appreciates the opportunity to comment on the “Criteria for Evaluating the Integrity of a Set of Data” (Exposure Draft). NASBA’s mission is to enhance the effectiveness and advance the common interests of State Boards of Accountancy (State Boards) that regulate all Certified Public Accountants (CPAs) and their firms in the United States and its territories, which includes all audit, attest and other services provided by CPAs. State Boards are charged by law with protecting the public.

In furtherance of that objective, we offer the following comments on the Exposure Draft.

**General Responses**

NASBA appreciates the American Institute of Certified Public Accountants (AICPA) ASEC for taking on the challenge of defining criteria to be used in assessing data. We agree the role of data in decision making will only continue to grow, and the integrity of the data used is crucial.

We are confused about the level of authority ASEC believes such criteria would represent. The Exposure Draft seems to be premised on the notion that ASEC has some level of standard-setting authority. The last paragraph of page 1 references AICPA Bylaw 360R granting ASEC the authority to “make public statements and publish criteria without clearance from the AICPA Council.” Checking AICPA Bylaw 360R, it is silent as to granting ASEC the authority to “publish criteria” - though it does grant the authority to make public statements.

Prior ASEC publications have included wording clarifying that guidance provided is not authoritative. For example, the *Audit Data Standards* publication says: “Please note that these are voluntary, recommended data standards for the extraction of information. These data extract standards are not required, nor do they represent authoritative audit or accounting standards.” We do not see a clarification of such in the Exposure Draft and recommend that it be added. As State Boards do not recognize ASEC as a standard setter, we recommend that the criteria spelled out in the Exposure Draft clearly be described as aspirational and not required.

ASEC asserts “that the criteria can also be used by a CPA in attestation and consulting engagements on the integrity of a set of data.” We are unclear how ASEC has the authority to conclude that the criteria provided are suitable for preparing and evaluating the presentation of the description of a set of data through an attestation engagement.

Since the criteria would be published by a committee of the AICPA, we also believe there is opportunity for confusion by the profession and the public regarding its status as a standard or guidance. As such, we believe it is important for the Auditing Standards Board (ASB) and the Accounting and Review Services Committee (ARSC) to weigh in on the use of such criteria before a CPA could refer to it as acceptable and proper evidence, if an engagement were to be performed under the Attestation Standards. We understand that this Exposure Draft has been discussed with neither the ASB nor ARSC to date and recommend that this occur.

### **Responses on Requests for Specific Comment**

1. Are there any of the criteria or implementation guidance unnecessary or otherwise not relevant? Please provide a list.

*NASBA did not identify any criteria or implementation guidance that was unnecessary or otherwise not relevant. ASEC may want to consider adding more contemporary examples of use of data in addition to census and automobile inventories.*

2. Are there any missing criteria or implementation guidance? Please provide a list.

- a. *Criteria DI5 – NASBA agrees it is important that management should provide the data description with the data or otherwise communicate to users where the data can be obtained. However, if the description is not included with the data, management should ensure that the data description is easily accessed or where the data description can be obtained. It should not be overly burdensome on the user to obtain the data descriptions, so we believe this additional descriptor provides necessary clarity regarding the importance of easy accessibility of the data descriptions.*
- b. *Criteria DI2- ASEC may want to insert “where applicable” at the first sentence over the various factors. For instance, items DI2e and DI2f may not be applicable in all situations.*

*c. NASBA did not identify any additional criteria or implementation guidance that was omitted from the document.*

3. Do you have any concerns about the measurability of any of the criteria or implementation guidance? Please provide a list.

*NASBA does not have any concerns about the measurability of any of the criteria or implementation guidance.*

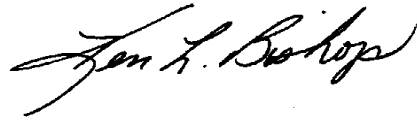
\* \* \*

Thank you for the opportunity to comment on the Exposure Draft.

Very truly yours,



Theodore W. Long, Jr., CPA  
NASBA Chair



Ken L. Bishop  
NASBA President and CEO