



National Association of State Boards of Accountancy

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September 3, 2025

Professional Ethics Executive Committee
American Institute of Certified Public Accountants
1345 Avenue of the Americas
New York, NY 10105

Via e-mail: ethics-exposedraft@aicpa.org

Re: Exposure Draft: Proposed revisions related to engagements subject to the Statements on Standards for Attestation Engagements

Dear Members and Staff of the AICPA Professional Ethics Executive Committee (PEEC):

The National Association of State Boards of Accountancy (NASBA) appreciates the opportunity to comment on the above-referenced Exposure Draft, *Proposed revisions related to engagements subject to the Statements on Standards for Attestation Engagements* (the 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, NASBA offers the following comments.

Comments on Specific Questions

a. Do you agree with the proposed term “period covered by the attest report” and its proposed definition. If you disagree, please explain why.

NASBA agrees with the proposed term “period covered by the attest report” and its proposed definition.

b. Do you believe any of the proposed revisions to replace “period covered by the financial statements” with “period covered by the attest report” go beyond clarifying the requirements for SSAE engagements? If so, please explain why.

NASBA believes that the proposed revisions to replace “period covered by the financial statements” with “period covered by the attest report” are appropriate and do not go beyond clarifying the requirements for SSAE engagements.

c. Do you agree with the proposal to retain (at this time) the term “period covered by the financial statements” in paragraph .03 of the “Scope and Applicability of Nonattest Services” interpretation and to subsequently address paragraph .03 as part of phase 3 of this project? If not, please explain why and provide suggested revisions for the committee to consider.

NASBA agrees. Because other aspects of this interpretation are under review or will be under review in connection with later phases of this project, NASBA recommends any section, such as paragraph .03 of the “Scope and Applicability of Nonattest Services” interpretation, that is under review should be identified as such to not cause any confusion or misunderstanding.

d. Do regulators, and others, believe that the use of the proposed term “period covered by the attest report” is inconsistent with regulatory requirements? If so, please explain.

NASBA selected a sample of State Boards and performed a limited review of State Board rules and laws that are publicly available through State Boards’ websites. This limited review focused on the use of the phrase “period covered by the financial statements” and a time/reporting period reference to an attest report.

Of the sample reviewed, there were a few State Boards in which the phrase “period covered by the financial statements” or a time/reporting period to an attest report were referenced either in rule or law. However, the context of their use was different than the proposed revisions to the various interpretations noted in the Exposure Draft. Therefore, NASBA believes that the change to replace the phrase “period covered by the financial statements” with the new definition of the term “period covered by the attest report” will not have a significant regulatory impact for State Boards. NASBA did not verify the results of the limited review with the specific State Boards and assumes no responsibility for the accuracy of those results.

Beyond state accountancy laws, there are other state regulatory bodies (e.g., Departments of Banking/Financial Institutions and Insurance) and federal regulatory bodies (e.g., Departments of Labor and Treasury) with audit and independence requirements as well as regulatory certification requirements that should be considered.

In this regard, although the word “attest” has meaning to the CPA profession and those that specifically regulate it, it is not a term that other users uniformly understand. Educational resources may be needed.

e. Do you believe any of the proposed revisions described under the heading “Revisions to reflect application to SSAE engagements” (paragraphs 23-26) go beyond clarifying the requirements for an SSAE engagement? If so, please explain why.

NASBA believes that the proposed revisions described under the heading “Revisions to reflect application to SSAE engagements” (paragraphs 23-26) are appropriate and do not go beyond clarifying the requirements for an SSAE engagement.

f. Do you believe any of the proposed examples added as described under the heading “Addition of examples applicable to an SSAE engagement” (paragraphs 27-28) go beyond clarifying the requirements for an SSAE engagement? If so, please explain why.

NASBA believes that the proposed examples added as described under the heading “Addition of examples applicable to an SSAE engagement” (paragraphs 27-28) are appropriate and do not go beyond clarifying the requirements for an SSAE engagement.

g. Considering all that is being proposed in this exposure draft and considering the appendix list of future-phase topics PEEC will address, do you believe other independence interpretations require clarification with respect to their application to an SSAE engagement? If so, please explain why.

NASBA is not aware of other independence interpretations beyond this Exposure Draft including the appendix of future-phase topics that require clarification with respect to their application to an SSAE engagement.

h. Do you believe that a six-month effective date is adequate? If you disagree, please explain why and provide a recommendation.

NASBA understands that the PEEC has taken a phased approach to the project to determine how independence interpretations should be applied to engagements subject to the Statements on Standards for Attestation Engagements. Implementation requirements will be established as each phase is completed.

We believe that a six-month effective date (after publication in the *Journal of Accountancy*) is adequate for phase one of the project, with early adoption allowed.

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We appreciate the opportunity to comment on the Exposure Draft.

Very truly yours,

Maria E. Caldwell

Daniel J. Dustin

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