



National Association of State Boards of Accountancy

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August 23, 2023

Office of the Secretary
Public Company Accounting Oversight Board
1666 K Street, NW
Washington, D.C. 20006-2803

Via email: comments@pcaobus.org

Re: PCAOB Rulemaking Docket Matter No. 052 – Proposed Amendments Related to Aspects of Designing and Performing Audit Procedures that Involve Technology-Assisted Analysis of Information in Electronic Form

Dear Members of the Public Company Accounting Oversight Board (PCAOB):

The National Association of State Boards of Accountancy (NASBA) appreciates the opportunity to comment on the PCAOB's Proposing Release, *Proposed Amendments Related to Aspects of Designing and Performing Audit Procedures that Involve Technology-Assisted Analysis of Information in Electronic Form* (Proposal).

Founded in 1908, NASBA serves as a forum for the nation's Boards of Accountancy (State Boards), representing fifty-five jurisdictions. NASBA's mission is to enhance the effectiveness and advance the common interests of the 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.

General Comments

NASBA commends the PCAOB for their continued efforts to modernize and strengthen auditing standards, including those related to the use of information in electronic form and technology-based tools. As noted in the Proposal, a substantial amount of time has transpired since the standards were issued by the PCAOB and advancements in technology have enabled auditors to expand the use of technology-assisted analysis in audits.

Both the International Auditing and Assurance Standards Board (IAASB) and the Auditing Standards Board (ASB) of the AICPA have updated or are in the process of updating their audit evidence and risk assessment standards. Leveraging the work performed by other standard setters and making standards uniform wherever possible helps avoid confusion and potential

misapplication by the CPA and aids in enforcement from a regulatory perspective. Consistency among standard setters is in the public interest.

Monitoring

NASBA supports this initiative and believes the clarifications in the Proposal will be helpful to auditors in designing and performing audit procedures that involve analyzing information in electronic form with technology-based tools.

We believe that the PCAOB should monitor the impact of the implementation of these standards to ensure that they do not serve as a deterrence or reduction in their use. The use of these powerful technology-based tools in audits, when used appropriately, can be impactful in reducing audit risk and audit failures – which benefits the public.

Effective Date

The Proposal states that the PCAOB is considering whether compliance with the adopted amendments should be required for audits of fiscal years ending on or after June 30 in the year after approval by the SEC.

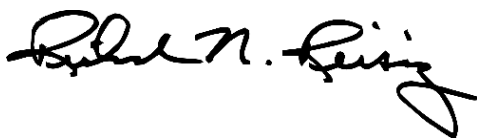
We are concerned that, depending on the approval date by the SEC, the effective date may be too soon to allow auditors to update methodologies, provide appropriate training and effectively implement the standards. Inspection teams also need to be considered in developing implementation time horizons. Inspection teams will also need ample time for updating methodologies and providing appropriate training to team members. Effective implementation of standards is in the public interest.

Special Consideration for Emerging Growth Companies (EGC)

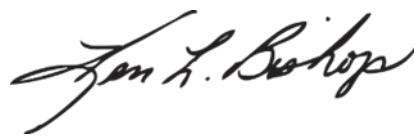
While the risk profile of an EGC is different from more mature entities, we agree that the Proposal should apply to EGCs. To exclude EGCs from the Proposal would be inconsistent with protecting the public interest.

Again, we appreciate the opportunity to comment on the Proposal.

Very truly yours,



Richard N. Reising, CPA
NASBA Chair



Ken L. Bishop
NASBA President and CEO