



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](http://www.nasba.org)

October 20, 2022

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

Via email: [comments@pcaobus.org](mailto:comments@pcaobus.org)

**Re: Request for Information and Comment: The Application and Use of the PCAOB's Interim Attestation Standards**

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 *Request for Information and Comment: The Application and Use of the PCAOB's Interim Attestation Standards*.

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.

NASBA supports the PCAOB's efforts to update and modernize the attestation standards. We believe this would provide the PCAOB an opportunity to do research with the U.S. Securities and Exchange Commission (SEC) to determine the needs of investors in this area. The timing of this deliberation also provides an opportunity to consider the SEC's proposed rule, *The Enhancement and Standardization of Climate-Related Disclosures for Investors*, to set a solid framework for eventual Environmental, Social, and Governance (ESG) reporting when the time comes.

NASBA supports a project to replace the current interim attestation standards with a new set of standards. In evaluating the quality of the attestation standards, the PCAOB should consider audit and attest quality improvements made in the last twenty years and incorporate relevant ones into the attestation standards. Focused deliberation should be given to the higher risk of attestation reports that have broad public distribution as compared to those only addressing the specific needs of informed parties.

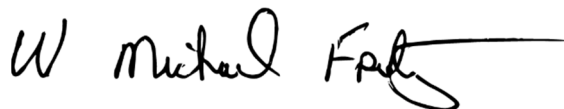
As an alternative to developing new attestation standards, the PCAOB could consider a “layer-over” approach similar to that followed by the Government Accountability Office (GAO) with the GAO Yellow Book. That approach incorporates existing auditing standards issued by the AICPA’s Auditing Standards Board and then adds-on relevant additional requirements that the GAO wishes to pursue.

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. Uniformity of standards among standard setters is in the public interest.

Finally, in footnote 7 to the Request for Information and Comment, there is a reference to “moderate level of assurance.” The use of the term “moderate” when describing the level of assurance obtained from a review is a potential overstatement and not in the public interest. The topic of limited versus moderate assurance in the context of attest review engagements was debated in the profession some time ago. It was concluded that the term moderate assurance was neither well-defined in professional standards nor well-understood by CPAs or the public. It was concluded that the term limited assurance would be retained. We believe that the term limited assurance would better describe the assurance that the public should expect and is terminology supported by State Boards.

Again, we appreciate the opportunity to comment on the Request for Information and Comment.

Very truly yours,



W. Michael Fritz, CPA  
NASBA Chair



Ken L. Bishop  
NASBA President and CEO