



National Association of State Boards of Accountancy

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March 8, 2011

Ms. Rachelle Drummond, Technical Manager
AICPA Peer Review Program
American Institute of Certified Public Accountants
220 Leigh Farm Road
Durham, NC 27707-8110

Via e-mail to: **PR_expdraft@aicpa.org**

Re: Exposure Draft dated January 31, 2011 “Proposed Revisions to the AICPA Standards for Performing and Reporting on Peer Reviews of Compilations Performed Under SSARS 19”

Dear Members of the AICPA Peer Review Board:

We appreciate the opportunity to offer comments to the AICPA Peer Review Board (Board) of the American Institute of Certified Public Accountants (AICPA or Institute) on the Exposure Draft (Exposure Draft) “Proposed Revisions to the AICPA Standards for Performing and Reporting on Peer Reviews of Compilations Performed Under SSARS 19.”

The National Association of State Boards of Accountancy’s (NASBA) mission is to enhance the effectiveness of the licensing authorities for public accounting firms and certified public accountants in the United States and its territories. In furtherance of that objective, we offer the following comments on the changes proposed by the Exposure Draft.

NASBA Support for the Revisions in Standards Proposed by the Exposure Draft

We agree with the revisions to the standards proposed in the Exposure Draft and with the rationale of the Board in bringing forth the proposed changes. We believe that the proposed revisions are in the public interest.

Documentation is a key element of a compilation engagement. Prior to the issuance of Statement on Standards for Accounting and Review Services No. 19, *Compilation and Review Engagements*, (SSARS 19) standards for documentation did not exist and review team captains were given the discretion to review, or not to review, documentation for a compilation engagement. SSARS 19 now has set forth explicit documentation standards.

The Board proposes that peer review standards should now require the peer review team to review the documentation of a compilation engagement to determine if such documentation is in

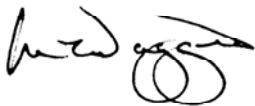
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harmony with the standards in SSARS 19. We strongly agree with the Board's position because failure to document in accordance with professional standards would be a serious deficiency in the performance of such engagement.

NASBA recommends that the revisions to standards proposed in the Exposure Draft be adopted as final by the Peer Review Board.

We hope these comments will assist the Peer Review Board in its work.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael T. Daggett". The signature is fluid and cursive, with a large loop at the end.

Michael T. Daggett, CPA
NASBA Chair

A handwritten signature in black ink, appearing to read "David A. Costello". The signature is fluid and cursive, with a large loop at the end.

David A. Costello, CPA
President & CEO