



November 1, 2017

Mr. Mike Glynn
Mike.Glynn@AICPA-CIMA.com

Re: Proposed Statement on Standards for Attest Engagements – Selected Procedures

Dear Mr. Glynn

The Accounting Principles and Auditing Standards Committee (the Committee) of the Florida Institute of Certified Public Accountants (FICPA) respectfully submits its comments on the referenced proposal. The Committee is a technical committee of the FICPA and has reviewed and discussed the above referenced proposed *SSAE*. The FICPA has more than 20,000 members, with its membership comprised primarily of CPAs in public practice and industry. The Committee is comprised of approximately 23 members, of whom 48% are from local or regional firms, 26% are from large multi-office firms, 13% are sole practitioners, 9% are in international firms, and 4% are in education. The Committee has the following comments related to *the questions numbered below*:

Comment 1A

The Committee believes that this type of engagement is needed and is in the public interest, i.e. that this is what the marketplace currently requires. We believe that this type of engagement will allow for heightened practitioner judgment, while still allowing (but not requiring) restrictions on the use of the report.

The Committee has noted specific instances where this engagement would be very useful. For example, governments have passed laws and have requested CPAs to develop procedures regarding specific issue compliance. Also, this could apply to internal control (or “comfort”) letters for municipalities in financial distress.

Comment 1B

The Committee agrees that the proposed standard appropriately addresses the stated objective, especially since the proposed standard places no explicit restrictions regarding these matters.

Comment 1C

The Committee agrees with the proposal that no party would be required to take responsibility for the sufficiency of the procedures, while noting that a party retains the option to take such responsibility. However, certain members of the Committee felt that the lack of taking responsibility may diminish the usefulness of the report. Even so, the lack of a party taking responsibility could provide a heightened sense of independence and could lead to an expansion of the range of services provided.

Comment 1D

The Committee has the following comments regarding the proposed reporting requirements:

- a. The Committee agrees that the proposed standard provides the appropriate guidance in this area.
- b. The Committee would appreciate additional guidance on this matter, since this is a new type of engagement. One thought is that this situation could blend in with, and therefore cause confusion with, agreed-upon procedures engagements.
- c. The Committee believes that the current proposal does clearly provide this guidance.
- d. In this circumstance, the Committee believes that the practitioner may actually be performing an agreed-upon procedures engagement when this new procedures engagement is being performed.

Comment 2A

The Committee agrees with the permission of general-use selected procedures reports, subject to the caveats noted throughout this response.

Comment 2B

The Committee believes that this additional language would not be considered relevant if no responsibility for the sufficiency of the procedures is being taken by the parties. In addition, a determination by the practitioner of the selection of the procedures may provide the appearance of an audit. Finally, the lack of responsibility for the procedures taken by the client would further separate this engagement from one to apply agreed-upon procedures.

Comment 3A

The Committee agrees that the practitioner should not be required to request or obtain a written assertion, unless such an assertion is critical for the performance of the engagement. If there is no such stated assertion, based on the nature of the engagement, this may be because any relevant assertion(s) may not be known or contemplated until the engagement is completed.

Comment 3B

The Committee believes that the need for specific representations should depend on the nature of the individual engagement. However, the Committee agrees that the practitioner should have the stated flexibility regarding this matter.

Comment 4A

The Committee agrees that the proposed standard should be market driven, with the practitioner's judgment controlling the circumstances under which this type of engagement should be accepted.

Comment 4B

The Committee believes that the type of engagement covered in this proposed standard is a new and separate service. As such, the applicable authoritative literature should be in its own stand-alone pronouncement and not be presented as a revision to the agreed-upon procedures standards.

The Committee appreciates the opportunity to respond to the Proposed Statement on Standards for Attest Engagements – Selected Procedures. Members of the Committee are available to discuss any questions you may have regarding this communication.

Respectfully submitted,

Steven W. Bierbrunner, CPA

Chair, FICPA Accounting Principles and Auditing Standards Committee

Committee member coordinating this response:

Poornima Srinivasan, CPA

Richard Edsall, CPA