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Via e-mail: Mike.Glynn@aicpa-cima.com

Mr. Mike Glynn
American Institute of Certified Public Accountants
1211 Avenue of the Americas
New York, NY 10036-8775

Re: AICPA Accounting and Review Services Committee Proposed Statement on Standards for Attestation Engagements, *Selected Procedures*

Dear Mr. Glynn,

BDO USA, LLP appreciates the opportunity to provide comments on the AICPA Accounting and Review Services Committee's Proposed Statement on Standards for Attestation Engagements, *Selected Procedures* (the "proposed SSAE"). We welcome the additional flexibility introduced in the proposed SSAE to expand a practitioner's ability to perform procedures and report in a procedures and findings format beyond that currently provided by AT-C section 215, *Agreed-Upon Procedures Engagements* (AT-C section 215) and believe it will provide the necessary clarity with respect to the work performed in these types of engagements. However, we do not agree on three aspects of the proposed SSAE and believe that (1) the engaging party or other party should take responsibility for the suitability of the procedures; (2) the responsible party should take responsibility for the assertions related to the engagement; and (3) the restriction on use should be retained.

Currently, under AT-C section 215, the specified parties consider the advice of the practitioner in establishing the procedures that might be adequate for the particular subject matter. Even though such advice may be provided, the specified parties ultimately take responsibility for the adequacy of the agreed-upon procedures for the purposes they were intended. Further, should a change in the procedures be required after the engagement has commenced (as contemplated in AT-C 215), such changes are easily communicated by proper description of the final agreed-upon procedures within the practitioner's report. Accordingly, we believe the flexibility regarding the development of the procedures that this proposed SSAE allows is largely already available.

As to the flexibility this proposed SSAE provides regarding the responsibilities of the parties to the engagement, we believe that such flexibility goes too far by allowing no specified party to have such responsibility for the sufficiency of the procedures for the purposes they were intended. Even with the required inclusion in the practitioner's report that the completed selected procedures may not meet the needs of all users, some general users may nonetheless, by default, believe that the practitioner must have determined the adequacy of the selected procedures if that practitioner were willing to issue the general use report in the first place. We do not believe such possible misunderstandings are in the public interest.

Similarly, not requiring a written assertion by a specified party or disclosure that such an assertion was not obtained, further adds to the possible misunderstanding that the practitioner



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is taking responsibility for the sufficiency of the selected procedures for the purposes any user might require.

For these reasons, we recommend that if the proposed standard moves forward the standard include a requirement for the engaging party to take responsibility that the procedures meet the intended purpose of the engagement.

Furthermore, permitting a selected procedures practitioner's report to not be restricted for use by the limited specified parties with the most knowledge of the subject matter may inadvertently result in users misunderstanding the level of judgment applied by the practitioner in deciding which procedures to select. Expecting that each possible general user of the practitioner's report will make an appropriate determination about whether the procedures performed were sufficient for their own purposes, when many such users may not understand the nature and extent of the specified parties and the practitioner's respective roles in the engagement, may not be a reasonable expectation. As such, we believe the restriction on use should be retained.

We appreciate your consideration of our comments, and would be pleased to discuss these with you at your convenience. Please direct any questions to Phillip Austin, National Managing Partner - Auditing, at 312-730-1273 (paustin@bdo.com), or Jan Herringer at 732-734-3010 (jherringer@bdo.com).

Very truly yours,

/s/ BDO USA, LLP

BDO USA, LLP