

April 27, 2010

Ms. Sherry Hazel  
AICPA  
1211 Avenue of the Americas  
New York, N.Y. 10036-8775

By e-mail: shazel@aicpa.org


**Re: Proposed Statement on Auditing Standards, *Communicating Internal Control  
Related Matters Identified in an Audit* (Redrafted)**

Dear Ms. Hazel:

The New York State Society of Certified Public Accountants, representing 28,000 CPAs in public practice, industry, government and education, welcomes the opportunity to comment on the above captioned exposure draft.

The NYSSCPA's Auditing Standards Committee deliberated the exposure draft and prepared the attached comments. If you would like additional discussion with us, please contact Robert N. Waxman, Chair of the Auditing Standards Committee at (212) 755-3400, or Ernest J. Markezin, NYSSCPA staff, at (212) 719-8303.

Sincerely,



David J. Moynihan  
President

Attachment

**NEW YORK STATE SOCIETY OF  
CERTIFIED PUBLIC ACCOUNTANTS**

**COMMENTS ON  
PROPOSED STATEMENTS ON AUDITING STANDARDS,  
*COMMUNICATING INTERNAL CONTROL RELATED MATTERS IDENTIFIED  
IN AN AUDIT (REDRAFTED)***

**April 27, 2010**

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William R. Lalli

**New York State Society of Certified Public Accountants**  
**Auditing Standards Committee**

**Comments on**  
**Proposed Statements on Auditing Standards, *Communicating Internal Control***  
***Related Matters Identified in an Audit (Redrafted)***

The New York State Society of Certified Public Accountants welcomes the opportunity to comment on the AICPA Auditing Standards Board's (ASB) proposed statement, *Communicating Internal Control Related Matters Identified in an Audit (Redrafted)*.

We support the ASB's efforts to improve the clarity and reduce the complexity of auditing standards as well as its ongoing goal to converge the proposed standards with International Standards on Auditing (ISAs).

We agree with the content of this proposed standard; however, we identified certain matters where additional guidance may be helpful in implementing the standard.

**Responses to specific questions**

**1. Are the objectives of the auditor appropriate?**

Yes, the auditor's objectives are appropriate.

**2. Are the revisions made to converge the existing standards with ISA 800 and ISA 805 appropriate?**

Yes, the revisions made to converge with the ISA are appropriate.

**3. Are the differences between the proposed SASs and ISA 800 and ISA 805 identified in the exhibit, and other language changes, appropriate?**

Yes, the differences between the proposed SASs and the ISA, and other language changes, are appropriate.

**4. Have considerations for audits of smaller, less complex entities and governmental entities been dealt with appropriately?**

We believe that the guidance provided for auditors of smaller, less complex entities has been dealt with appropriately. However, the guidance in paragraph A4 regarding owner-manager oversight should be expanded to include the factors the auditor should consider in evaluating when increased management oversight results in an increase in the risk of management override of controls.

## **Other Comments**

Paragraph 13 of the proposed standard states that the communication should be made no later than 60 days following the report release date. However, the standard is silent as to when to date the communication in cases in which the communication is made after the report release date. It is unclear whether the communication should be dated with the current date or perhaps the financial report release date. We recommend that the final standard provide additional guidance in dating internal control communications.